

Prospectus

Respiri Limited ACN 009 234 173

SPP Offer to Eligible Shareholders

For an offer to Eligible Shareholders of up to 88,235,294 SPP Shares at an offer price of \$0.034 per SPP Share and one (1) free attaching SPP Option for every two (2) SPP Shares subscribed for, each exercisable at \$0.065 and expiring 30 June 2025 to raise up to a maximum of \$3,000,000 (before costs) (**SPP Offer**).

To be eligible to receive the SPP Shares and free-attaching SPP Options under the SPP Offer, Eligible Shareholders cannot sell their Shares between the Record Date and the SPP Offer Closing Date, and will only be eligible to participate in the SPP Offer if they have not sold their Shares before the SPP Offer Closing Date.

Shareholders who participated in the January 2023 Share Purchase Plan are eligible to participate in this SPP Offer.

Shortfall Offer

For a separate offer, to remain open up to the SPP Shortfall Closing Date, to subscribe for any SPP Shares and free attaching SPP Options not taken up pursuant to the SPP Offer (**Shortfall Shares**) to be issued at an offer price of \$0.034 per Shortfall Share, being the price at which SPP Shares have been offered under the SPP Offer, along with one (1) free-attaching Option for every two (2) Shortfall Shares issued (**Shortfall Options**), being on the same terms on which SPP Options have been offered under the SPP Offer (**Shortfall Offer**).

Convertible Note Offer

For an offer Convertible Notes and Convertible Note Options to Obsidian Global GP, LLC pursuant to the Convertible Note Agreement (**Convertible Note Offer**).

Lead Manager Option Offer

For an offer of up to 6,000,000 Options to Evolution Capital Pty Ltd (**Lead Manager Options**) as part consideration for lead manager service provided (**Lead Manager Option Offer**).

Shareholder approval

As noted in Section 6.12, certain Offers are conditional upon the Company obtaining Shareholder approval at the Company's Extraordinary General Meeting (**EGM**) scheduled to be held on 8 August 2023, for which a notice of meeting will be despatched on 7 July 2023. Refer to Sections 1 and 6.12 for further details on the EGM.

Important Information

This Prospectus is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Offer Securities or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The securities offered by this Prospectus should be considered as speculative.

This is a transaction specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth).

Not for distribution in the USA or to USA Persons.

Contents

Important Notice	4
1. Letter to Shareholders	7
2. Frequently asked questions	11
3. Key Information	13
4. Key dates	20
5. Corporate directory	21
6. Details of the Offers	22
7. Purpose and effect of the Offers	30
8. Rights and liabilities attaching to Offer Securities	37
9. Risk factors	41
10. Additional information	46
11. Glossary	60

Important Notice

Prospectus

This Prospectus relates to the offer of SPP Shares, SPP Options, Lead Manager Options, Convertible Notes and Convertible Note Options by Respire Limited ACN 009 234 173 ("**RSH**" or "**Company**") under the Offers.

This Prospectus is dated 29 June 2023 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The expiry date of this Prospectus is 5.00pm (AEST) on the date that is 13 months after the date of this Prospectus (**Expiry Date**). No SPP Shares or SPP Options will be issued on the basis of this Prospectus after the Expiry Date.

This Prospectus is a transaction specific prospectus for an offer to acquire continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering Prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and their professional advisers.

None of ASIC, ASX, nor their respective officers, take any responsibility for the contents of this Prospectus or the merits of the securities to which this Prospectus relates.

Applications for Offer Securities can only be submitted on an Application Form.

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus pursuant to the Offers. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (<https://respire.co/au/>), or otherwise to persons to whom a target market determination is not required. By making an application under the SPP Offer or other relevant Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

No representation other than in this Prospectus

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus, or on the exercise of the Options issued under this Prospectus.

Prospectus does not contain investment advice

The information provided in this Prospectus is not investment advice and has been prepared without taking into account your investment objectives, financial situation or particular circumstances. It is important that you read and consider the information in this Prospectus in full before deciding to apply for SPP Shares or SPP Options and consider the risks that could affect the performance of the SPP Shares and SPP Options and Shares issued on exercise of Options.

If you have any questions, you should seek advice from your financial or other professional adviser.

Obtaining a Prospectus and SPP Offer Application Form

This Prospectus will be issued as an electronic Prospectus. An electronic copy of this Prospectus can be downloaded from www.computersharecas.com.au/rsh2023spp and www.asx.com.au, and complies with the conditions detailed at paragraph 107.21 of *ASIC Regulatory Guide 107*.

In accessing the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus.

If you are accessing the electronic version of this Prospectus for the purposes of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing on to another person an application form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus and an SPP Offer Application Form free of charge prior to the Closing Dates (as set out in Section 3 of this Prospectus) by contacting Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respire.co, from 9.00am to 5.00pm, Monday to Friday.

Risk Factors

Potential investors should be aware that subscribing for SPP Shares and subscribing for and exercising SPP Options involves a number of risks. The key risk factors which investors should be aware are set out in Section 9 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the SPP Shares, the SPP Options and Shares issued upon exercise of Options, in the future.

Restrictions on Foreign Jurisdictions

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

No action has been taken to register or qualify the SPP Shares or SPP Options being offered under the Offers or otherwise permit a public offering of the SPP Shares or SPP Options in any jurisdiction other than Australia and New Zealand. This Prospectus may not be distributed to or relied on by persons outside Australia and New Zealand.

In particular, this Prospectus, the Offers and the SPP Shares and SPP Options to be issued under the Prospectus have not been, and will not be, registered under the *US Securities Act of 1933* (as amended) and the Offers may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Information for New Zealand investors

The SPP Shares and free attaching SPP Options are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand on the Record Date to whom the offer of SPP Shares and SPP Options can be made in reliance on the *Financial Markets Conduct Act 2013* (the "**FMC Act**") and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

This document has not been registered, filed or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

The Options offered under the Offers are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Financial information and forward looking statements

Section 7 sets out in detail the financial information referred to in this Prospectus and the basis of preparation of that information.

Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding. This Prospectus contains forward looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', 'intends' and other similar words that involve risks and uncertainties. Any forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with risk factors as set out in Section 9, and other information in this Prospectus.

Defined words and expressions

Some words and expressions used in this Prospectus have defined meanings. These words and expressions are capitalised and are defined throughout the Prospectus or in the Glossary in Section 11.

A reference to \$ or cents in this Prospectus is a reference to Australian currency (unless otherwise stated). A reference to time in this Prospectus is a reference to Melbourne, Australia time.

Privacy

If you apply for SPP Shares or SPP Options, you will provide personal information to the Company its agents, contractors and third party services providers. The Company its agents, contractors and third party services providers collect, hold and use

your personal information in order to assess your application, service your needs as a Shareholder and Option holder, provide facilities and services that you request and carry out appropriate administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, print service providers, mail houses and the Share Registry.

Failure to provide the required personal information may mean that your Application is not able to be processed efficiently, if at all. You may request access to your personal information held by or on behalf of the Company and by the Share Registry. You may also request the correction of your personal information by contacting the Company or the Share Registry by using the details in the Corporate Directory in this Prospectus.

1. Letter to Shareholders

Dear Shareholders and Investors

I am pleased to be able to present the details of the Respi Limited Share Purchase Plan, Shortfall Offer and provide an update on the Company's operations.

Acquisition of Access

As announced on 23 May 2023, Company entered into a binding purchase agreement (**Purchase Agreement**) to acquire Access Managed Services LLC (**ACCESS**) for up to US\$3.0 Million (A\$4.5 Million) (**Acquisition**). The purchase price for ACCESS is payable over several tranches as detailed in Section 10.2. The first tranche payable is US\$1.25 million at completion of the Acquisition.

The purchase agreement is subject to a number of conditions including that there is no material adverse change in the financial condition, results of operations, business, assets, liabilities or future prospects of ACCESS and that the Company completes a capital raise of not less than two million five hundred thousand dollars (US\$2,500,000).

Please refer to Sections 3.1 and 10.2 for key terms of the Acquisition and Section 7.7 for the pro-forma balance sheet showing the post-completion effect of the Acquisition. Please also refer to the announcement dated 23 May 2023 for further details on the Acquisition.

Share Purchase Plan (SPP)

On behalf of the Board, I am pleased to offer you the opportunity to apply for new, fully paid ordinary Shares (**SPP Shares**) and Options in Respi Limited (**RSH** or the **Company**) under a share purchase plan (**SPP Offer**). While the Company is seeking to raise \$3,000,000 (before costs) under the SPP Offer, the Company reserves the right to raise more or less than this amount. The SPP Shares will be issued under the SPP Offer at \$0.034 per SPP Share (**Offer Price**).

The SPP Offer allows Eligible Shareholders the opportunity to subscribe for up to \$30,000 worth of SPP Shares without paying brokerage or other transaction costs. Eligible Shareholders will also be entitled to apply for one (1) free SPP Option (**SPP Option**) for every two (2) SPP Shares subscribed for under the SPP Offer. The SPP Options will be issued for nil consideration and will be exercisable at \$0.065 and expiring on 30 June 2025. Each SPP Option gives the holder the right to subscribe for one (1) Share upon exercise and payment of the exercise price.

Additionally, if an Eligible Shareholder increases their shareholding in the Company by 50,000 Shares (assessed during the period between the Record Date and the SPP Offer Closing Date), then that Shareholder will be able to purchase up to \$60,000 worth of SPP Shares without paying brokerage or other transaction costs, and will also be entitled to apply for one (1) free SPP Option for every two (2) SPP Shares subscribed for under the SPP Offer (**Increased Eligibility Condition**).

As the Company has recently conducted a share purchase plan within the last 12 months, the Company is not conducting this SPP Offer in reliance on ASX Listing Rule 7.2 Exception 5 or in reliance on ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

Shortfall Offer

This Prospectus also includes a Shortfall Offer, which provides that in the event that less than the maximum number of SPP Shares and SPP Options are applied for under the SPP Offer, the Shortfall Securities will be placed to any person at the absolute discretion of the Directors under the Shortfall Offer, in accordance with Section 6.18.

The Eligible Shortfall Participants' ability to participate in the SPP Offer will be limited to the extent that there is a shortfall under the SPP Offer.

The terms and conditions of the SPP Offer and Shortfall Offer and are provided for in this Prospectus and will be accompanied by an SPP Offer Application Form and a Shortfall Offer Application Form (as applicable). You should read this Prospectus in its entirety before deciding whether to participate in the SPP Offer.

Evolution Capital has been engaged as lead manager to place Shortfall Shares on a best endeavours basis.

Convertible Note Offer

Further to the announcement on 23 May 2023, the Company has entered into a Convertible Note Agreement for funding of up to A\$1.35 million (**Convertible Note Investment Amount**) by way of issue of convertible notes (**Convertible Notes**) to Obsidian Global GP, LLC (an independent, sophisticated and professional investor) (**Convertible Note Investor**), at a face value of US\$1.15 per note and is expected to complete on 26 July 2023 (**Convertible Note Offer**). The Convertible Notes will have a maturity date of 36 months from the date of issue.

The maximum number of Shares that can be issued under the Convertible Note Agreement, without shareholder approval, is 92,000,000 Shares.

Under the Convertible Note Offer, the Convertible Note Investor is also entitled to subscribe for one (1) Option on a 25% coverage of the Convertible Note Investment Amount based on the Fixed Conversion Price (**Convertible Note Options**), being a total of 7,180,851 Convertible Note Options. The Convertible Note Options will be issued on the same terms as the free-attaching Options under the SPP Offer and Shortfall Offer.

Amongst other conditions to completion of the Convertible Note Offer, the payment of the entire Convertible Note Investment amount is subject to this Prospectus being lodged and the Company having received at least net proceeds of A\$2 million under the SPP Offer (inclusive of any Shortfall Securities that Evolution Capital subscribes for).

Only the Convertible Note Investor is eligible to participate in the Convertible Note Offer.

For further details on the terms of the Convertible Notes and the Convertible Note Offer, refer to section 10.4.

Lead Manager Option Offer

Evolution Capital acted as the lead manager in the placing of Convertible Notes under the Convertible Note Offer and will also place Shortfall Shares on a best endeavours basis. Amongst other consideration that the Company has agreed to pay for such services, the Company has agreed to issue Evolution Capital up to 6,000,000 Options, pursuant to the Lead Manager Mandate (**Lead Manager Options**). The offer of Lead Manager Options pursuant to the Lead Manager Mandate is summarised in Section 10.3(b) to this Prospectus.

The Lead Manager Options will be issued on the same terms as the SPP Options, Shortfall Options and Convertible Note Options as set out in Section 8.1 to this Prospectus. (**Lead Manager Option Offer**).

Only Evolution Capital is eligible to participate in the Lead Manager Option Offer.

Shareholder Approval

The securities to be issued pursuant to the SPP Offer, Shortfall Offer and Lead Manager Option Offer are conditional upon the Company obtaining Shareholder approval at the Company's general meeting expected to be held via a webinar facility at a time to be confirmed on 8 August 2023 (**EGM**).

A notice of meeting will be dispatched to Shareholders in connection with the EGM, and I encourage all Shareholders to carefully read the notice of meeting and vote as per voting instructions provided in the notice of meeting for the EGM.

If Shareholder approval is not obtained, persons who subscribe for Shares and Options under the relevant Offers will not be issued with Shares and Options and the Company will refund all Application Monies (if any).

Use of funds

Proceeds from the Offers and placement of the SPP Shortfall, as well as any funds raised on the exercise of the SPP Options, will be used for the acquisition of Access Managed Services, LLC, as well as general working capital.

Ranking

All SPP Shares issued under the SPP Offer (including under the SPP Shortfall) will rank equally with existing Shares.

All Shares issued upon exercise of the Options offered under this Prospectus (including SPP Options, Lead Manager Options and Convertible Note Options) will rank equally with existing Shares at the time of exercise.

Eligibility under the SPP Offer

The Offers have separate eligibility requirements, which are as follows:

(a) SPP Offer

Participation in the SPP Offer is optional and is available exclusively to SPP Subscribers, being Eligible Shareholders and Eligible Shortfall Participants. See Section 2 below for more detail on who is an Eligible Shareholder and an Eligible Shortfall Participant.

To be eligible to receive the SPP Shares and free-attaching SPP Options under the SPP Offer, Eligible Shareholders cannot sell their Shares between the Record Date and the SPP Offer Closing Date, and will only be eligible to participate in the SPP Offer if they have not sold their Shares before the SPP Offer Closing Date.

All Eligible Shareholders will be sent a copy of this Prospectus, together with a SPP Offer Application Form. Eligible Shareholders' right to participate in the SPP Offer is not transferrable.

(b) Shortfall Offer

Participation in the Shortfall Offer is only open to Eligible Shortfall Participants and must be made using the Shortfall Offer Application Form. See Section 6.18 below for more detail.

How to apply

(a) SPP Offer

The SPP Offer opens on the SPP Offer Opening Date and closes on the SPP Offer Closing Date, subject to the Company's discretion to vary the dates of the SPP Offer.

To apply for SPP Shares and SPP Options you must review the enclosed SPP Offer Application Form, in accordance with the instructions set out in the form, and make a payment directly via BPAY®.

The SPP Offer Application Form allows you to apply for both SPP Shares and SPP Options.

The SPP Offer Application Form is structured such that you are taken to apply for **both** SPP Shares and corresponding free SPP Options. If you do not wish to apply for free SPP Options and only wish to apply for SPP Shares, please contact the Company Secretary, Andrew Metcalfe, at andrew.metcalfe@respiri.co and a new SPP Offer Application Form will be sent to you.

If you are an Eligible Shareholder you may apply for a parcel of SPP Shares valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$15,000, \$20,000, or \$30,000 (subject to the discretionary scale back policy outlined in Section 6.7). Cleared funds must be received by no later than 5.00pm (AEST) on the SPP Offer Closing Date.

(b) **Shortfall Offer**

The Shortfall Offer opens on the Shortfall Offer Opening Date and closes on the Shortfall Offer Closing Date, subject to the Company's discretion to vary the dates of the Offers.

If you are an Eligible Shortfall Participant your ability to participate in the SPP Offer will be limited to the extent that there is any SPP Shortfall.

Application for Shortfall Securities under the Shortfall Offer must be made using the Shortfall Offer Application Form and must be received by the Company prior to the Shortfall Offer Closing Date. You should not complete a Shortfall Offer Application Form unless specifically directed to do so by the Company.

Queries

If you have any questions in relation to how to participate in the Offers, please contact Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co. If you have any questions in relation to whether an investment in the Company through the Offers is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

Thank you for your continued support of Respiri Limited.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Mikel', with a stylized flourish at the end.

Marjan Mikel
Chief Executive Officer and Managing Director

2. Frequently asked questions

This section answers some frequently asked questions in relation to the SPP Offer. You should read it in conjunction with the terms and condition of the SPP Offer.

What is the SPP Offer?	<p>The SPP provides Eligible Shareholders with the opportunity to subscribe for up to \$30,000 worth of SPP Shares (and free attaching SPP Options) without paying any brokerage or other charges, subject to the Increased Eligibility Condition.</p> <p>The Company retains absolute discretion in relation to the SPP Offer and may increase or scale-back the SPP Offer as it sees fit. See Section 6.7 for further details.</p>
Who can participate in the SPP Offer?	<p>Participation in the SPP Offer is open to Eligible Shareholders being the registered holders of Shares in the Company at 7.00pm (AEST) on 22 May 2023 (Record Date) and whose address on the Company's Share register is in Australia or New Zealand and who have not sold their Shares between the Record Date and the SPP Offer Closing Date.</p> <p>Please refer to Section 3.2(e) for further details.</p>
Can I participate in this SPP Offer when I have already participated in the in the January 2023 Share Purchase Plan?	<p>Yes.</p> <p>As set out in section 3.2(f), the Company is not conducting the SPP Offer in reliance on ASX Listing Rule 7.2 Exception 5 or in reliance on <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i>. As such, eligibility is not limited to once in 12 months.</p> <p>Subject to the Increased Eligibility Condition, each SPP Subscriber is only eligible to subscribe for up to \$30,000 in this SPP Offer.</p>
Can I participate in this SPP Offer if I have sold my Shares after the Record Date?	<p>No.</p> <p>Participation in the SPP Offer is only available to Eligible Shareholders who have not sold their Shares between the Record Date and the SPP Offer Closing Date.</p>
How do I participate in the Shortfall Offer?	<p>The Shortfall Offer will only be available to the extent that there is any shortfall from the SPP Offer.</p> <p>Please refer to Section 6.2 for further details.</p>
When will the SPP Shares and SPP Options be issued?	<p>The SPP Shares and SPP Options will be issued as soon as practicable after the EGM, which is expected to be held on 8 August 2023. In any case, they will be issued no later than 3 months after the date of the EGM.</p> <p>Please see Section 6.12 for further details.</p>

<p>What if I only want SPP Shares and not the SPP Options?</p>	<p>The SPP Offer Application Form is structured that you are taken to apply for <u>both</u> SPP Shares and the corresponding free attaching SPP Options.</p> <p>If you do not wish to apply for free attaching SPP Options and only wish to apply for SPP Shares, please contact Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co, and a new application form will be sent to you.</p> <p>Please refer to Section 3.2(h) for further details on applying for SPP Shares and SPP Options.</p>
<p>Who do I contact if I have any further questions in relation to the SPP Offer or this Prospectus?</p>	<p>Please direct all queries to Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co.</p>

3. Key Information

3.1 Acquisition of Access Managed Services, LLC

As announced on 23 May 2023, the Company (through its US subsidiary, Respiro US, LLC) entered into a binding purchase agreement to acquire ACCESS for up to US\$3.0 Million (A\$4.5 Million). The terms of the Acquisition are governed by the Purchase Agreement, the key terms of which are summarised in Section 10.2 of this Prospectus.

The Acquisition is expected to add scale and broaden immediate growth opportunities for the Company in the key respiratory health market of the USA where it has become evident that customers expect end-to-end solutions for turn-key and scalable Remote Patient Monitoring (RPM) and related services. The Company has worked closely with the ACCESS team since the Company announced its partnership on 7 February 2022 and has since secured numerous RPM clients and blue-chip customers. Through this process, and as announced earlier this year, Respiro has become the first Australian medical device manufacturer to have its patented wheezo® device, used for RPM programmes and prescribed by physicians, to be successfully processed and receiving reimbursement from Centers of Medicare and Medicaid Services (CMS) in the USA. The RPM programme, delivered by partner ACCESS, includes patient engagement and remote monitoring using the ACCESS cloud-based platform, Remotli

ACCESS offers connected care programmes, ranging from a full-service outsourced solution to the ability to building a customised internal programme. ACCESS delivers innovative digital health solutions and clinical remote patient monitoring support to drive improved patient outcomes, access to care, and world-class tools for chronic disease management. They provide healthcare professionals with meaningful, decision-based data needed to manage their most vulnerable patients. Remotli, ACCESS' in-house virtual care platform, offers programme specific care with focus on clinical users. The expansive feature set includes automated activity and time tracking, real-time workflow driven dashboards, rules engine, virtual care reports, customisable care plans, compliance alerts, billing reports, device tracking, and an optional Televisit add-on. An overlap with the Respiro Health Portal exists in areas such as health care and nurse portals as well as health care organisations and patient data. The Remotli platform thus uniquely simplifies remote care delivery and together with clinical patient engagement and productivity driven dashboard tools better supports effective patient care and compliance.

In addition, the Company expects that there will be significant growth in recurring revenue. The Company's revenue model is centred on Wheezo® medical device sales of USD\$10-20 in monthly recurring revenue per patient. The current procedural terminology (CPT) code the Company focused primarily on was 99454 (which covers the automated data transmission from the medical device to the providers RPM platform). The CPT code requires that patients take a minimum number of readings per month to be eligible for reimbursement. The proposed Acquisition of ACCESS will allow the Company to recognise the multitude of other CPT codes available as part of RPM Centers of Medicare and Medicaid Services (CMS) reimbursement. Further, patients who are on RPM programs, can also be managed by clinical staff as part of a chronic care management (CMS) program. With over 80% of patients with chronic obstructive pulmonary disease (COPD) estimated to have at least one comorbid chronic condition, there is significant opportunity to provide both services to patients on behalf of their provider.

For further details of the Acquisition, please refer to the Company's announcement on 23 May 2023.

Please see Section 7.7 of this Prospectus for the pro-forma balance sheet showing the post-completion effect of the Acquisition.

3.2 SPP Offer

(a) **What is the SPP Offer?**

The SPP provides Eligible Shareholders with the opportunity to subscribe for up to \$30,000 worth of SPP Shares (and free attaching SPP Options) without paying any brokerage or other charges, subject to the Increased Eligibility Condition. Additionally, Eligible Shortfall Participants will be able to participate in the Shortfall Offer to the extent that there is any SPP Shortfall.

Applications may be scaled back at the absolute discretion of the Company. More details of the SPP are set out in Section 6 of this Prospectus.

The SPP Offer and Shortfall Offer are conditional upon the Company obtaining Shareholder approval at the EGM. If Shareholder approval is not obtained, persons who subscribe for Shares and Options under the relevant Offers will not be issued with Shares and Options and the Company will refund all Application Monies (if any).

As the Company has recently conducted a share purchase plan within the last 12 months, the Company is not conducting this SPP Offer in reliance on ASX Listing Rule 7.2 Exception 5 or in reliance on *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

(b) **How much will the Company raise under the SPP Offer?**

The Company is seeking to raise \$3,000,000 under the SPP Offer. The Company reserves the right to raise more or less than this amount in its absolute discretion.

The Company may, at its absolute discretion, scale back the number of SPP Shares (and free attaching SPP Options) that will be allotted to individual Shareholders under the SPP Offer. However, the Company anticipates that this will only occur to the extent that the SPP Offer is oversubscribed by Eligible Shareholders.

(c) **What is the Offer Price of SPP Shares under the SPP Offer?**

The SPP Shares will be issued under the SPP Offer at the Offer Price of \$0.034 per SPP Share. For every two (2) SPP Shares validly subscribed for under the SPP Offer, the SPP Subscribers are also entitled to receive one (1) free-attaching SPP Option exercisable at \$0.065 each and expiring on 30 June 2025.

There is a risk that the market price of Shares may rise or fall between the Record Date, the date of this Prospectus, the date on which a Shareholder makes a payment for SPP Shares, submits an SPP Offer Application Form, and the time of issue of SPP Shares under the SPP Offer. This means that the price you pay for the SPP Shares issued to you may be less than or more than the market price of Shares at the date of this Prospectus or the time of issue of the SPP Shares.

There is also a risk that the market price of Shares may rise or fall between when the SPP Options are granted and when a holder of the SPP Options exercises the SPP Options. This means that the value of the SPP Options at any time prior to their exercise may be less or more than the value of the SPP Options as at the date of grant.

No cooling off rights apply to your application and your application may not be withdrawn even if the market price of Shares is less than the Offer Price.

The current Share price can be obtained from the ASX under the ticker code "RSH".

(d) **Is the SPP Offer underwritten?**

No, the SPP Offer is not underwritten. However, Evolution Capital will place up to \$1.5 million Shortfall Shares on a best endeavours basis.

(e) **Am I a SPP Subscriber?**

Participation in the SPP Offer and Shortfall Offer is open to:

- Eligible Shareholders being the registered holders of Shares in the Company at 7.00pm (AEST) on 22 May 2023 (**Record Date**) and whose address on the Company's Share register is in Australia or New Zealand, provided that such Shareholder:
 - is not in the United States, or acting for the account or benefit of a person in the United States;
 - is eligible under all applicable securities laws to receive an offer under the SPP Offer; and
 - have not sold their Shares between the Record Date and the SPP Offer Closing Date; and
- Eligible Shortfall Participants, who are eligible under all applicable securities laws to receive an offer under the SPP Shortfall.

The SPP Offer is also being extended to Eligible Shareholders who are Custodians for them to participate in the SPP on behalf of certain Eligible Beneficiaries (who are Australian or New Zealand residents and not in the United States, or acting for the account or benefit of a person in the United States) on the terms and conditions provided in this Prospectus.

The Offers are made on the terms and conditions set out in this Prospectus.

(f) **Can I participate in this SPP Offer and Shortfall Offer if I have participated in the January 2023 Share Purchase Plan?**

Yes, if you participated in the January 2023 Share Purchase Plan, you can still participate in this SPP Offer and Shortfall Offer.

The Company is not conducting the SPP Offer in reliance on ASX Listing Rule 7.2 Exception 5 or in reliance on *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

Accordingly, the conditions under ASX Listing Rule 7.2 Exception 5 and *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* do not apply to this SPP Offer, including:

- (i) section 8 of the *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, that an issue of shares or interests to a registered holder (or Custodian) under current and previous plan purchases do not exceed \$30,000 in 12 months; and
- (ii) ASX Listing Rule 7.2 Exception 5, that the number of securities issued is not greater than 30% of fully paid ordinary securities already on issue.

However, notwithstanding the above and subject to the Increased Eligibility Condition, each SPP Subscriber is only eligible to subscribe for up to \$30,000 in this SPP Offer.

(g) **How much can I invest under the SPP Offer and Shortfall Offer?**

Eligible Shareholders may apply for a parcel of SPP Shares under the SPP Offer in accordance with the application amounts set out below. The maximum investment amount under the SPP is \$30,000 or 882,352 SPP Shares (and the corresponding 441,176 free-attaching SPP Options), subject to scale back at the absolute discretion of the Company.

The number of SPP Shares and SPP Options to be issued to successful applicants under the SPP Offer will be rounded down to the nearest whole number after dividing the Application Monies by the Offer Price.

Application amount	Number of SPP Shares	Number of SPP Options
\$1,000	29,411	14,705
\$2,500	73,529	36,764
\$5,000	147,058	73,529
\$7,500	220,588	110,294
\$10,000	294,117	147,058
\$15,000	441,176	220,588
\$20,000	588,235	294,117
\$30,000	882,352	441,176

Eligible Shortfall Participants' ability to participate in the SPP Shortfall will:

- be limited to the extent that there is any SPP Shortfall;
- not be restricted to a maximum amount (other than to the extent that SPP Shares and SPP Options are available under the SPP Shortfall); and
- be subject to scale back at the absolute discretion of the Company.

(h) **How do I apply for SPP Shares and free attaching SPP Options?**

If you wish to participate in the SPP Offer, you need to do the following.

Pay by BPAY®

Make payment by BPAY® as shown on the enclosed SPP Offer Application Form. To apply via BPAY you must have an Australian bank account. If you apply via BPAY® there is no need to return the enclosed SPP Offer Application Form, but you will be taken to have made the statements and certifications that are set out in the SPP Offer Application Form.

For New Zealand shareholders only, that are unable to pay by BPAY®, please contact Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co at any time from 9.00am to 5.00pm (AEST) Monday to Friday during the Offer period for alternative electronic funds transfer payment arrangements.

Payment must be received in cleared funds by no later than 5.00pm (AEST) on the SPP Offer Closing Date.

You should be aware that your own financial institution may implement earlier cut off times for electronic payments and you should take this into consideration when making payment of Application Monies via BPAY®.

The SPP Offer Application Form allows Eligible Shareholders to apply for both SPP Shares and the corresponding number of free-attaching SPP Options.

The SPP Offer Application Form is structured that you are taken to apply for both SPP Shares and the corresponding free attaching SPP Options. If you do not wish to apply for free attaching SPP Options and only wish to apply for SPP Shares, please contact Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co, and a new application form will be sent to you.

(i) Do Eligible Shareholders have to participate in the SPP Offer?

No, participation in the SPP Offer by Eligible Shareholders is entirely voluntary.

If you do not wish to participate in the SPP Offer (and the offer of free attaching SPP Options), do nothing.

However, you may only apply for one (1) SPP Option for every two (2) SPP Shares you applied for under the SPP Offer.

(j) Can Eligible Shareholders' offers under the SPP Offer be transferred to a third party?

No, the offer to participate under the SPP Offer cannot be transferred.

(k) What are the rights attached to SPP Shares?

SPP Shares issued under the SPP Offer will rank equally with other fully paid ordinary Shares of the Company as at the date of issue of the SPP Shares.

(l) What are the SPP Options and what is my entitlement to them?

The SPP Options are free-attaching Options, offered to participants under the SPP Offer who subscribe for SPP Shares.

SPP Subscribers will be entitled to apply for one (1) free-attaching SPP Option for every two (2) SPP Shares subscribed for under the SPP Offer. The SPP Options will be issued for nil consideration and will be exercisable at \$0.065 expiring on 5.00pm (AEST) on 30 June 2025. Each SPP Option gives the holder the right to subscribe for one (1) Share upon exercise. The terms of all Options offered under this Prospectus, which includes the SPP Options are set out at Section 8.1 of this Prospectus.

(m) Is there a minimum raise to the SPP Offer?

No. There is no minimum amount to be raised under the Offers as at the date of this Prospectus.

(n) Is the SPP Offer conditional?

The SPP Offer is conditional on the Company obtaining Shareholder approval at the EGM. If Shareholder approval is not obtained, Eligible Shareholders who subscribe for SPP Shares and SPP Options under the SPP Offer will not be issued

SPP Shares or SPP Options, and all Application Monies will be refunded without interest.

(o) **What happens if there is a scale-back?**

In the event of a scale-back, the number of SPP Options issued to Eligible Shareholders will be scaled back in the same proportion as the scale back applied to SPP Shares applied, so that successful subscribers under the SPP Offer will continue to be issued one (1) SPP Option for every two (2) SPP Shares subscribed for.

(p) **Will the SPP Shares and SPP Options be quoted on ASX?**

(i) ***SPP Shares***

Application for Official Quotation of the SPP Shares offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus.

If ASX does not grant Official Quotation of the SPP Shares offered pursuant to this Prospectus within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not allot any SPP Shares and will repay all Application Monies for the SPP Shares within the time period prescribed under the Corporations Act, without interest.

A decision by ASX to grant Official Quotation of the SPP Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the SPP Shares offered for subscription.

(ii) ***SPP Options***

Application for Official Quotation of the SPP Options offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus.

If ASX does not grant Official Quotation of the SPP Options offered pursuant to this Prospectus, within three months after the date of this Prospectus (or sub period as varied by ASIC), the Company will issue the SPP Options as unlisted Options and may seek Official Quotation at a later date.

A decision by ASX to grant Official Quotation of the SPP Options is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the SPP Options offered for subscription.

(q) **Where can I get more information on the SPP Offer?**

If you have questions in relation to how to participate in the SPP Offer, please contact Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co. If you have any questions in relation to whether an investment in the Company through the SPP Offer is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

(r) **What do I do if I am a Custodian?**

The SPP Offer is being extended to Eligible Shareholders who are Custodians and who wish to apply for SPP Shares (and free attaching SPP Options) on behalf of certain Eligible Beneficiaries.

The SPP Offer is being offered to Custodians as the registered Shareholder. Custodians are not required to participate on behalf of their Eligible Beneficiaries. Custodians may choose whether or not to extend the SPP Offer to their Eligible Beneficiaries.

If you wish to apply as a Custodian under the SPP Offer to receive SPP Shares and free attaching SPP Options for one or more Eligible Beneficiaries, you must complete and submit an additional Custodian Certificate before your application will be accepted. Applications that are not accompanied by a duly completed Custodian Certificate will be limited to the maximum \$30,000 limit (subject to the Increased Eligibility Condition) and any excess Application Monies will be refunded. Custodians can request a Custodian Certificate by contacting Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co. By applying as a Custodian on behalf of Eligible Beneficiaries to acquire SPP Shares (and free attaching SPP Options), you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit (subject to the Increased Eligibility Condition).

4. Key dates

The key dates in respect of the Offers are as follows.

Event	Date*
Record Date	7.00pm (AEST), 22 May 2023
Announcement of Convertible Note Offer and SPP Offer	Tuesday, 23 May 2023
Lodgement of Prospectus with ASIC and ASX	Thursday, 29 June 2023
SPP Offer Opening Date and Shortfall Opening Date	Friday, 30 June 2023
Despatch of EGM Notice	Friday, 7 July 2023
SPP Offer Closing Date	5.00pm (AEST), Tuesday, 25 July 2023
Settlement of Convertible Note Offer	Wednesday, 26 July 2023
Announcement of results of SPP Offer	Friday, 28 July 2023
EGM conducted	Tuesday, 8 August 2023
Issue of SPP Shares and SPP Options under SPP Offer	Tuesday, 8 August 2023
SPP Shortfall Offer Closing Date	Friday, 20 October 2023

**These dates are indicative only. Subject to the Corporations Act and ASX Listing Rules, the Company reserves the right to vary these times and dates (other than in respect of events that have already occurred) in its absolute discretion by sending a revised timetable to ASX. All times are AEST.*

In particular, the Company reserves the right to extend the Closing Dates, to accept late applications under the Offers (either generally or in particular cases) and to withdraw the Offers without prior notice. Any extension of the Closing Dates will have a consequential effect on the allotment date of SPP Shares and free-attaching SPP Options. The commencement of quotation of the SPP Shares and SPP Options is subject to confirmation from ASX.

The Company also reserves the right not to proceed with the Offers in whole or in part at any time prior to allotment and issue of the SPP Shares and free-attaching SPP Options. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants. Cooling off rights do not apply to an investment in SPP Shares or free-attaching SPP Options. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the SPP are encouraged to submit their SPP Offer Application Form as soon as possible after the SPP Offer opens.

5. Corporate directory

Directors Mr Nicholas Smedley (Executive Chairman, Director) Mr Marjan Mikel (Managing Director) Mr Brad Snow (Independent Director) Mr Brian Leedman (Independent Director)	Registered Office Level 9, 432 St Kilda Road Melbourne, Victoria 3004 Contact number: +61 04 1171 7073
Company Secretary Mr Andrew Metcalfe	ASX Code: RSH
Share Registry* Computershare Investor Services Pty Limited 52 Johnston Street, ABBOTSFORD, VIC, AUSTRALIA, 3067 Website: www.investorcentre.com/au T: 1300 555 159 (within Australia) or +61 3 9415 4062 (outside Australia)	

6. Details of the Offers

6.1 SPP Offer – Eligible Shareholders

- (a) Under the SPP Offer the Company offers to Eligible Shareholders the opportunity to purchase up to \$30,000 worth of Shares in the Company (**SPP Shares**) at an offer price of \$0.034 per SPP Share (**Offer Price**), subject to the Increased Eligibility Condition. Eligible Shareholders who subscribe for SPP Shares are also entitled to apply for free-attaching Options (**SPP Option**) for nil consideration, on the basis of one (1) SPP Option for every two (2) SPP Shares validly subscribed for under the SPP Offer. The SPP Offer is subject to and in accordance with the terms and conditions set out in this Prospectus.
- (b) Each SPP Option is exercisable at \$0.065 and expires on 30 June 2025. The SPP Option holder is entitled to one Share per SPP Option exercised. The full terms of the SPP Options are set out in Section 8.1.
- (c) Only persons who are SPP Subscribers may participate in the SPP Offer. If you are an Eligible Shareholder, your rights under the SPP Offer and SPP are personal to you and cannot be transferred to another person.
- (d) Amongst other requirements, to be eligible to receive the SPP Shares and free-attaching SPP Option under the SPP Offer, Eligible Shareholders cannot sell their Shares between the Record Date and the SPP Offer Closing Date, and will only be eligible to participate in the SPP Offer if they have not sold their Shares before the SPP Offer Closing Date.
- (e) The Company intends to seek quotation for the SPP Shares and SPP Options.
- (f) Employees of the Company who are Eligible Shareholders may participate in the SPP.
- (g) All references to \$, A\$ or dollars in this Prospectus are references to Australian dollars unless indicated otherwise.

6.2 SPP Shortfall – Eligible Shortfall Participants

- (a) Any remaining SPP Shares (and corresponding free attaching SPP Options) not taken up by Eligible Shareholders under the SPP Offer will form the Shortfall Amount.
- (b) The offer of the Shortfall Amount pursuant to the Shortfall Offer will be placed at the discretion of the Directors.
- (c) The terms of the Shortfall Shares and Shortfall Options to be issued under the Shortfall Offer shall be on the same terms as the SPP Shares and SPP Options offered under the SPP Offer.
- (d) The Directors have the absolute right to nominate and determine who is to receive any or all of the Shortfall Shares and Shortfall Options under the Shortfall Offer.

6.3 Application to Participate

Applying for SPP Shares and free attaching SPP Options

- (a) Participation in the SPP Offer by Eligible Shareholders is optional.
- (b) Eligible Shareholders may participate in the SPP Offer by applying to purchase a parcel of SPP Shares (and corresponding free attaching SPP Options) in the

following amounts, up to a maximum amount of \$30,000 per Eligible Shareholder (subject to the Increased Eligibility Condition):

- (i) \$1,000 (29,411 SPP Shares with 14,705 free attaching SPP Options);
- (ii) \$2,500 (73,529 SPP Shares with 36,764 free attaching SPP Options);
- (iii) \$5,000 (147,058 SPP Shares with 73,529 free attaching SPP Options);
- (iv) \$7,500 (220,588 SPP Shares with 110,294 free attaching SPP Options);
- (v) \$10,000 (294,117 SPP Shares with 147,058 free attaching SPP Options);
- (vi) \$15,000 (441,176 SPP Shares with 220,588 free attaching SPP Options);
- (vii) \$20,000 (588,235 SPP Shares with 294,117 free attaching SPP Options);
or
- (viii) \$30,000 (882,352 SPP Shares with 441,176 free attaching SPP Options).

The number of SPP Shares and free attaching SPP Options issued to successful SPP Subscribers will be rounded down to the nearest whole number after dividing the Application Monies by the Offer Price.

- (c) If you are an Eligible Shareholder and wish to participate in the SPP Offer, you must make payment by BPAY® in the appropriate amount in Australian dollars using your customer reference number (which is required to identify your holding) and the biller code, both of which are set out on your personalised SPP Offer Application Form, so that payment is received by RSH's Share registry by no later than 5.00pm (AEST) on the SPP Offer Closing Date. If you make a payment by BPAY® you do not need to return your completed SPP Offer Application Form as receipt of your BPAY® payment will be taken by the Company as your application.

Receipts for payment will not be issued.

- (d) If an Eligible Shareholder has more than one holding, the Eligible Shareholder may not apply for SPP Shares with an aggregate value of more than \$30,000 under the SPP Offer, subject to the Increased Eligibility Condition. Accordingly, an Eligible Shareholder may only make an application for the maximum amount with respect to one holding.
- (e) You should be aware that your own financial institution may implement earlier cut off times for electronic payments and you should take this into consideration when making payment of Application Monies via BPAY®. Your financial institution may have a set limit on the amount that you can pay via BPAY®. It is your responsibility to ensure that the amount you wish to pay via BPAY® is received by the Company's Share registry by 5.00pm (AEST) on the SPP Offer Closing Date.

If you are an Eligible Shareholder and you make a payment via BPAY® you represent and warrant that the total of the application price for the following does not exceed \$30,000 (subject to the Increased Eligibility Condition):

- (i) the SPP Shares the subject of your application; and
- (ii) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP Offer.

6.4 Company's discretion with regard to applications

- (a) The Company may accept or reject any application under the SPP Offer, including where:
 - (i) the amount of your BPAY® payment is not equal to \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$15,000, \$20,000 or \$30,000. If this occurs, the Company may either:
 - (A) refund in full your Application Monies and not allot any SPP Shares (and corresponding free attaching SPP Options) to you; or
 - (B) allot you the number of SPP Shares and SPP Options that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your Application Monies;
 - (ii) it appears that you are applying to purchase more than \$30,000 worth of SPP Shares in aggregate (including as a result of any Shares you hold directly, jointly or through a Custodian or nominee arrangement);
 - (iii) your payment is received after 5.00pm (AEST) on the SPP Offer Closing Date;
 - (iv) payment of the Application Monies is not submitted in Australian currency; or
 - (v) the Company reasonably believes that you are not eligible to participate in the SPP Offer (subject to compliance with any applicable ASIC or ASX requirements).

6.5 Refund

If you are entitled to a refund of all or any of your Application Monies the refund will be paid to you, without interest, as soon as is practicable by direct credit to your nominated bank account (as recorded by the Company's Share registry).

6.6 Effect of making an application

If you submit a BPAY® payment:

- (a) you warrant that you are an Eligible Shareholder and are eligible to participate in the SPP Offer;
- (b) you are deemed to have accepted the SPP Offer and you irrevocably and unconditionally acknowledge and agree to the terms and conditions of the SPP Offer and the terms of the SPP Offer Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP Offer;
- (c) you acknowledge that your application will be irrevocable and unconditional;
- (d) you agree to pay the Offer Price per SPP Share up to the maximum value of your BPAY® payment;
- (e) you certify and represent to the Company that you have not directly or indirectly, including through a Custodian, applied for more than \$30,000 worth of SPP Shares;
- (f) you certify that the total of the application price for the following does not exceed \$30,000:

- (i) the SPP Shares the subject of your application; and
- (ii) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP Offer;
- (g) you accept the risk associated with any refund that may be sent to your nominated bank account (as recorded by Company's Share registry);
- (h) you acknowledge that no interest will be paid on any Application Monies held pending the allotment of SPP Shares and SPP Options or subsequently refunded to you for any reason;
- (i) you acknowledge that neither the Company nor its Share registry has provided any investment advice or financial product advice and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not to participate in the SPP Offer;
- (j) you acknowledge that the Company (and each of its officers and agents) is not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions of this Prospectus;
- (k) you acknowledge that the SPP Shares and SPP Options to be issued under the SPP Offer have not, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction outside Australia and, accordingly, the SPP Shares and SPP Options to be issued under the SPP Offer may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
- (l) you agree not to send this Prospectus or any other material relating to the SPP Offer to any person in the United States or any other country outside Australia or New Zealand;
- (m) you agree to be bound by the Company's Constitution;
- (n) you acknowledge that the Company may at any time reasonably and irrevocably determine that your application is invalid, in accordance with the terms and conditions of the SPP Offer; and
- (o) you are responsible for any fees or costs the Company may incur in case of a refund.

6.7 Scale-back and increase in SPP Offer size

- (a) While the Company is seeking to raise \$3,000,000 under the SPP Offer, the Company reserves the absolute discretion to raise more than or less than this amount. The Company may in its absolute discretion undertake a scale-back to the extent and in the manner it sees fit.
- (b) Investors should note that to be eligible to receive the SPP Shares and free-attaching SPP Option under the SPP Offer, Eligible Shareholders cannot sell their Shares between 7.00pm (AEST) on the Record Date and 5.00pm (AEST) on the SPP Offer Closing Date (**Relevant Period**), and will only be eligible to participate in the SPP Offer if they have not sold their Shares before the SPP Offer Closing Date. Accordingly, the Company may reject or scale back any applications under the SPP Offer received from Eligible Shareholders that have disposed of any of their Shares during the Relevant Period.
- (c) Furthermore, the Company may, at its absolute discretion, scale-back the number of SPP Shares (and corresponding SPP Options) that will be allotted to individual

Applicants under the SPP Offer and in the manner it sees fit. In the event of a scale-back, the Company may prioritise allocations to Shareholders who have increased the number of Shares held during the Relevant Period, including under the Increased Eligibility Condition.

- (d) Applicants acknowledge that the final determination of whether an Applicant has disposed of any Shares during the Relevant Period or whether an Applicant has increased their number of Shares held during the Relevant Period shall be determined by the Board in its absolute discretion. Furthermore notwithstanding anything in this Prospectus, the Board reserves the right to waive any condition imposed on the acceptance of Applications, which may be exercised in the Board's sole and absolute discretion.
- (e) If there is a scale-back you may receive less than the parcel of SPP Shares (and corresponding SPP Options) for which you have applied.
- (f) If a scale-back produces a fractional number of SPP Shares (and corresponding SPP Options) when applied to your parcel, the number of SPP Shares (and corresponding SPP Options) you will be allotted will be rounded down to the nearest whole number of SPP Shares (and corresponding SPP Options).
- (g) If there is a scale-back, the difference between the Application Monies received from you, and the number of SPP Shares allocated to you multiplied by the Offer Price (and corresponding SPP Options), will be refunded to you in accordance with Section 6.5.
- (h) If there is a consolidation or re-organisation of the issued share capital of the Company prior to the SPP Offer Closing Date, the maximum number of SPP Shares (and corresponding SPP Options) to be issued pursuant to and in accordance with the SPP Offer shall be consolidated or re-organised (as the case may be) in the same ratio as the issued capital of the Company.

6.8 Shares

- (a) SPP Shares issued under the SPP Offer and Shortfall Offer will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements (other than the right to subscribe for free Options, on the basis of one (1) free attaching Option for every two (2) SPP Shares subscribed for under the SPP Offer or Shortfall Offer, which right will have expired at the point of issue of Shares).
- (b) The Company will apply for the Shares issued under the SPP Offer and the Shortfall Offer to be quoted on the ASX.

6.9 Options

- (a) The Options issued under the SPP Offer and Shortfall Offer will rank equally in all respects with all Convertible Note Options and Lead Manager Options, the terms of which are set out in Section 8.1.
- (b) All Shares issued upon exercise of the Options (including the Options issued under the SPP Offer and the Shortfall Offer, the Convertible Note Options and Lead Manager Options) will rank equally in all respects with existing Shares at the date of exercise.

6.10 No transaction costs

Eligible Shareholders who participate in the SPP Offer will not pay any brokerage, commissions or other transaction costs in respect of the issue and allotment of SPP Shares and SPP Options.

6.11 Timetable

- (a) Subject to clause 6.11(b), the timetable for the key events relating to the SPP Offer and Shortfall Offer is as set out in Section 4, Key Dates section of this Prospectus (**Timetable**).
- (b) The Company may, at its discretion, vary any of the dates in the Timetable or in these terms and conditions in accordance with the Corporations Act and ASX Listing Rules.

6.12 Conditional on Shareholder approval

The SPP Offer is conditional on Shareholder approval at the EGM for the purposes of issuing the SPP Shares and SPP Options outside of the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

If Shareholder approval is not received, no SPP Shares or SPP Options will be issued to Eligible Shareholders that have submitted applications under the SPP Offer and all funds received by the Company under the SPP Offer will be refunded to applicants without interest.

6.13 ASX quotation

SPP Shares

Application for Official Quotation of the SPP Shares offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus.

If ASX does not grant Official Quotation of the SPP Shares offered pursuant to this Prospectus within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not allot any SPP Shares and will repay all Application Monies for the SPP Shares within the time period prescribed under the Corporations Act, without interest.

A decision by ASX to grant Official Quotation of the SPP Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the SPP Shares offered for subscription.

SPP Options

Application for Official Quotation of the SPP Options offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus.

If ASX does not grant Official Quotation of the SPP Options offered pursuant to this Prospectus, within three months after the date of this Prospectus (or sub period as varied by ASIC), the Company will issue the SPP Options as unlisted Options and may seek Official Quotation at a later date.

A decision by ASX to grant Official Quotation of the SPP Options is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the SPP Options offered for subscription.

6.14 Allotment and holding statements

The Company anticipates issuing the Shares and free attaching Options subscribed for under the SPP Offer as soon as practicable after the EGM, and in any case, no later than 3 months after the date of the EGM.

Holding statements for Shares and Options issued under the SPP Offer will be mailed as soon as reasonably practicable after the Shares and Options are allotted.

6.15 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Instead of Share and Option certificates, investors will be provided with a holding statement that sets out the number of Offer Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number.

6.16 Dispute resolution

The Company may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the Offers, whether generally or in relation to any participant or application. Any determinations by the Company will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. The Company's rights may be exercised by its Board or any delegate of the Board.

6.17 Variation, suspension and termination

- (a) The Company may at its discretion and at any time:
 - (i) vary, suspend or terminate the Offers (or any part of it). If the Company does this, it will make an announcement to the ASX (in addition to any other requirements under the Corporations Act). Failure to notify Shareholders of variations to or the suspension or termination of the SPP Offer (or any part of it) will not invalidate the variation, suspension or termination; or
 - (ii) to the extent permitted by law, waive compliance with any provision of the Offers or these terms and conditions.
- (b) The Company reserves the right to issue no SPP Shares, SPP Options or Options under the Offers or fewer SPP Shares, SPP Options or Options under the Offers than applied for at its complete discretion, including if the Company believes the issue of those SPP Shares, SPP Options or Options would contravene ASIC requirements or policy, any law or any ASX Listing Rule.

6.18 Shortfall Offer

In the event that less than \$3,000,000 is applied for under the SPP Offer by Eligible Shareholders (or such other higher or lower amount that the SPP Offer is increased or reduced to at the Company's discretion), the Directors will place any SPP Shares or SPP Options not taken up pursuant to the SPP Offer under the Shortfall Offer (**Shortfall Securities**).

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to the Shortfall Offer Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.034 (being the price at which SPP Shares have been offered under the SPP Offer) and participants under the Shortfall Offer will also be entitled to receiving one (1) free-attaching Option for every two (2) Shares subscribed for under the Shortfall Offer (being on the same terms at which SPP Options have been offered under the SPP Offer).

The allocation of the Shortfall Securities will be at the absolute discretion of the Directors. Accordingly, do not apply for Shortfall Securities unless instructed to do so by the Directors.

6.19 Further taxation implications

Applicants should be aware that there may be taxation implications in participating in the Offers and subscribing for Offer Securities. The taxation consequences of participating in the Offers or acquiring Offer Securities may vary depending upon the individual circumstances of each Applicant. Before making a decision on whether or not to participate in this Offers, Applicants should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances.

6.20 Enquiries

Any questions concerning the Offers should be directed to Andrew Metcalfe, Company Secretary, at andrew.metcalfe@respiri.co from 9.00am to 5.00pm (AEST), Monday to Friday (excluding public holidays).

7. Purpose and effect of the Offers

7.1 The Offers

As announced to the market on 23 May 2023, the Company entered into a binding Purchase Agreement to acquire Access Managed Services, LLC, a US-based remote patient monitoring (RPM) and chronic care management (CCM) services provider and existing sales/marketing partner for the Company's Wheezo® device, for up to US\$3 million.

The Acquisition is expected to add scale to the Company and broaden its immediate growth opportunities. It is also expected to bring significant growth to the Company's recurring revenue.

The Acquisition is subject to various customary conditions to completion, including that the Company successfully completes a capital raise of not less than US\$2.5 million. As such, the Company is conducting the Convertible Note Offer and is seeking Shareholder approval of the SPP Offer to facilitate completion of the Acquisition.

For further details on the Acquisition, please refer to the Company's announcement on 23 May 2023 and Section 10.2 to this Prospectus.

SPP Offer

In conjunction with the Convertible Note Offer and subject to Shareholder approval (to be sought at a shareholder meeting expected to be held on 8 August 2023), the Company is undertaking the SPP Offer whereby Eligible Shareholders are offered the opportunity to acquire up to \$30,000 worth of Shares per Eligible Shareholder (subject to the Increased Eligibility Condition) at an offer price of \$0.034 per SPP Share with free attaching SPP Options on the basis of one (1) free attaching SPP Option for every two (2) SPP Shares subscribed for under the SPP Offer.

Shortfall Offer

The SPP Offer will also be extended to the Eligible Shortfall Participants' to the extent that there is any SPP Shortfall remaining.

Lead Manager Option Offer

Evolution Capital acted as the lead manager in the placing of Convertible Notes under the Convertible Note Offer and will also place Shortfall Shares on a best endeavours basis. As part consideration for the services provided by Evolution Capital, the Company has agreed to issue the Lead Manager Options to Evolution Capital. As such, no funds will be raised from the Lead Manager Option Offer.

Convertible Note Offer

Further to the announcement on 23 May 2023, the Company entered into the Convertible Note Agreement with the Convertible Note Investor, for the issue of Convertible Notes at a face value of US\$1.15 per note, for an amount of approximately A\$1.35 million (before costs). The Convertible Note Offer is expected to complete on 26 July 2023. The Convertible Notes have a maturity date of 36 months from the date of issue.

As part of the Convertible Note Offer, the Convertible Note Investor is entitled to subscribe for one (1) Convertible Note Option on a 25% coverage of the Convertible Note Investment Amount (on a Fixed Conversion Price basis), being up to 7,180,851 Convertible Note Options.

Shareholder approval

The issue of Shares and Options under the SPP Offer, Shortfall Offer and Lead Manager Option Offer are conditional on obtaining Shareholder Approval at the EGM.

7.2 Purpose of this Prospectus

This Prospectus has been issued for the purposes of enabling the SPP Offer to be made to all Eligible Shareholders and to the extent it relates to the SPP Offer and the Shortfall Offer, to enable the SPP Securities and the Shortfall Securities issued to be on-sold without disclosure.

In addition, the purpose of this Prospectus is to remove any trading restrictions that may be applicable to the securities issued (or will be issued) by the Company under the Convertible Note Offer and the Lead Manager Option Offer, which may have been issued without disclosure under Chapter 6D of the Corporations Act.

The offer and issue of the securities under the Convertible Note Offer and the Lead Manager Option Offer would have been undertaken without disclosure under Part 6D of the Corporations Act, to investors who were considered sophisticated investors, professional investors or other investors who were exempt from disclosure pursuant to section 708 of the Corporations Act.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

Relevantly, section 708A(11) of the Corporations Act provides an exemption from this general requirement and states that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued, but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is an offer of securities issued by the body that are in the same class of securities as the relevant securities.

Accordingly, an additional purpose of this Prospectus is to comply with section 708A(11) of the Corporations Act so that the securities issued under the Convertible Note Offer and the Lead Manager Option Offer, may be sold within the next twelve months without the issue of a prospectus. The issue of the securities under the Convertible Note Offer and the Lead Manager Option Offer have not been undertaken by the Company with the purpose of the Convertible Note Investor or holder of Lead Manager Options selling or transferring those Shares. However, the Directors consider that the Convertible Note Investor and holders of Lead Manager Options, should be able to sell them should they wish to do so, without being required to issue a prospectus.

7.3 Purpose of the Offers

The purpose of the SPP Offer is to provide Eligible Shareholders the opportunity to subscribe for up to \$30,000 of SPP Shares (subject to the Increased Eligibility Condition).

Assuming a total of \$3,000,000 will be raised from the SPP Offer (which includes any SPP Shortfall subscribed for under the Shortfall Offer), the proceeds of which, together with the \$1,350,000 to be raised under the Convertible Note Offer, is intended to be used for the satisfaction the Acquisition, as well as for general working capital purposes.

7.4 Effect of the Offers

The principal effect of the SPP Offer, will be to increase the number of Shares on issue by approximately 88,235,294 Shares, the number of Options on issue by 44,117,647 Options and to increase the Company's cash reserves by approximately \$3,000,000 (before costs) (assuming the SPP Offer is fully subscribed).

It should be noted that the Company has the discretion to increase or decrease the size of the SPP Offer.

Capital structure on completion of Offers

For illustrative purposes, the table below sets out the effect on the share capital structure of the Company immediately upon completion of the Offers, assuming \$1,350,000 (before costs) is successfully raised under the Convertible Note Offer, \$3,000,000 is successfully raised under the SPP Offer and all of the resolutions at the EGM in connection with the Company's issue of Shares and Options under the SPP Offer are approved by Shareholders:

	Number
Shares on issue as at the date of Prospectus ¹	845,086,346
SPP Shares to be issued under SPP Offer	88,235,294
Placement Shares issued pursuant to Convertible Note Agreement ²	15,000,000
Total Shares	948,321,640
Options on issue as at the date of the Prospectus ¹	243,500,000
SPP Options to be issued under SPP Offer	44,117,647
Convertible Note Options ³	7,180,851
Lead Manager Options ⁴	6,000,000
Total Options	286,092,615
Convertible Notes ⁵	777,426
Total Convertible Notes	777,426

Notes:

1. This assumes no existing Options are exercised prior to the date of this Prospectus.

2. *The Placement Shares to be issued pursuant to the Convertible Note Shares will be used to offset any issue of shares required pursuant to a conversion of the Convertible Notes.*

For further details, please see Section 10.4 of this Prospectus.
3. *This is based on a 25% coverage of the \$1.35 million Convertible Note Investment Amount at the Fixed Conversion Price of \$0.047.*
4. *This assumes the Lead Manager places the maximum Shortfall to investors introduced by the Lead Manager.*
5. *This number is included for illustrative purposes only and is based on the AUD:USD exchange rate of 1.51 as at 28 June 2023. The actual number of Convertible Notes that will be issued will depend on the exchange rate at the date of issue, and so, may ultimately be more or less than the number indicated.*

Fully diluted capital structure

The table below sets out the fully-diluted capital structure of the Company upon completion of the Offers assuming:

- (a) an amount of \$1,350,000 is successfully raised under the Convertible Note Offer;
- (b) an amount of \$3,000,000 is raised under the SPP Offer;
- (c) all SPP Options are offered under the Prospectus;
- (d) the maximum number of Shares that can be issued under the Convertible Note Agreement is issued and the 7,180,851 Convertible Note Options are issued;
- (e) up to 6,000,000 Lead Manager Options are issued;
- (f) all of the resolutions at the EGM in connection with the relevant Offers are approved by Shareholders; and
- (g) all Options are exercised (including Options issued under the Convertible Note Offer, the SPP Offer and the Lead Manager Option Offer).

	Number	% ¹
Shares on issue as at the date of Prospectus	845,086,346	63.73%
SPP Shares to be issued under SPP Offer	88,235,294	6.65%
Maximum Shares that may be issued under the Convertible Note Agreement ²	92,000,000	6.94%
Options on issue as at the date of the Prospectus	243,500,000	18.36%
SPP Options	44,117,647	3.33%
Convertible Note Options	7,180,851	0.54%
Lead Manager Options	6,000,000	0.45%
Total Shares (on a fully diluted basis)	1,326,120,138	100.00%

Notes:

1. Based on the total Shares post-completion of the Offers (on a fully diluted basis).
2. For illustrative purposes of the maximum dilutionary effect, the agreed maximum number of Shares that can be issued pursuant to the Convertible Note Agreement has been included.

This includes the 15 million Shares issued as Placement Shares to the Convertible Note Investor, which will be used to offset any issue of Shares on conversion of the Convertible Notes. For further details, please see Section 10.4 of this Prospectus.

7.5 Terms of SPP Shares

A summary of the rights attaching to the SPP Shares offered by this Prospectus is set out in Section 8.2.

7.6 Terms of SPP Options

A summary of the rights attaching to the SPP Options offered by this Prospectus is set out in Section 8.1.

7.7 Pro-forma Balance Sheet

The balance sheet for the Company as at 31 December 2022 subjected to audit review, as per the half year report for the half year ending 31 December 2022, and the unaudited and unreviewed pro-forma balance sheet shown below, have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared on the basis of the following key assumptions (as if they had occurred as at the balance date of 31 December 2022):

- (a) the Acquisition completes;
- (b) an amount of \$1,350,000 is successfully raised under the Convertible Note Offer;
- (c) an amount of \$3,000,000 is raised under the SPP Offer;
- (d) all SPP Options offered under the Prospectus, Options offered under the Convertible Note Offer and the Lead Manager Option Offer are subscribed for and granted for nil monetary consideration;
- (e) the cash effect of the Shortfall Cash Fee (as per Section 10.3(b) of this Prospectus prospectus) has been excluded from the pro-forma balance sheet as Shortfall Cash Fee is based on there being any Shortfall, and is only applicable on amounts from investors introduced by the Lead Manager, such amount cannot be determined at this point; and
- (f) all of the resolutions at the EGM are approved by Shareholders.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	31 December 2022 (\$)	Pro-forma Balance Sheet Adjustments				31 December 2022 (\$) (Pro-forma)
	(a)	(b)	(c)	(d)	(e)	
Current Assets						
Cash and cash equivalents	230,074	4,207,294	(1,875,000)	48,188	-	2,610,556
Trade and other receivables	109,525	-	-	64,659	-	174,184
Inventory	2,644,061	-	-	80,193	-	2,724,254
Other current assets	184,793	-	-	60,851	-	245,644
Total Current Assets	3,168,453	4,207,294	(1,875,000)	253,891	-	5,754,638
Non-Current Assets						
Property, Plant & Equipment	55,291	-	-	10,092	-	65,383
Other financial assets	-	-	4,500,000	-	(4,500,000)	-
Intangible assets	-	-	-	390,365	4,061,505	4,451,870
Total Non-Current Assets	55,291	-	4,500,000	400,457	(438,495)	4,517,253
Total Assets	3,223,744	4,207,294	2,625,000	654,348	(438,495)	10,271,891
Current Liabilities						
Trade and other payables	836,345	-	-	160,103	-	996,448
Other financial liabilities	93,394	-	-	-	-	93,394
Other liabilities	104,234	-	2,625,000	55,750	-	2,784,984
Total Current Liabilities	1,033,973	-	2,625,000	215,853	-	3,874,826
Non-Current Liabilities						
Other financial liabilities	-	1,350,000	-	-	-	1,350,000
Total Non-Current Liabilities	-	1,350,000	-	-	-	1,350,000
Total Liabilities	1,033,973	1,350,000	2,625,000	215,853	-	5,224,826
Net Assets	2,189,771	2,857,294	-	438,495	(438,495)	5,047,065
Equity						
Issued and paid up capital	130,359,421	2,857,294	-	1,495,104	(1,495,104)	133,216,715
Reserves	6,883,667	-	-	-	-	6,883,667
Accumulated losses	(135,053,317)	-	-	(1,056,609)	1,056,609	(135,053,317)
Total Equity	2,189,771	2,857,294	-	438,495	(438,495)	5,047,065

Notes:

- (a) The Company consolidated balance sheet as at 31 December 2022 subject to audit review by the Company's external auditors.
- (b) This assumes \$1,350,000 is raised under the Convertible Note Offer and \$3,000,000 is raised under the SPP Offer. This includes an estimate of the costs of the capital raise, which includes Lead Manager

fees, legal fees, share registry fees and ASIC/ASX fees of \$142,706. For further details, please refer to Section 10.13.

- (c) Acquisition of Access Managed Services, LLC for A\$4.5 million (US\$3.0 million) and cash consideration paid for first tranche of A\$1.865 million (US\$ 1.25 million).*
- (d) Unaudited balance sheet of Access Managed Services as at 31 December 2022, presented in Australian dollar equivalents.*
- (e) Consolidation accounting entry to eliminate investment and pre acquisition losses and recognised goodwill on the Acquisition of \$4.061 million.*

8. Rights and liabilities attaching to Offer Securities

8.1 Terms of Options

The Options (including the SPP Options, Shortfall Options, Convertible Note Options and Lead Manager Options) to be issued under this Prospectus entitle the holder to subscribe for Shares on the following terms and conditions.

(a) **Entitlement**

- (i) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) **Exercise of Option**

- (i) The Options are exercisable at any time from the issue date.
- (ii) The Options expire 30 June 2025 from date of issue.
- (iii) The exercise price per option is \$0.065.
- (iv) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry (**Exercise Notice**). Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 1,000.
- (v) The Options cannot be exercised if, as a result of the exercise, the Optionholder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (vi) Remittances must be made payable to 'Respiri Limited'.
- (vii) All Options will lapse on the earlier of the:
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (viii) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) **Issue of Shares**

Upon receipt of a valid Exercise Notice (accompanied by the applicable Exercise Price monies), the Company must issue the number of Shares equal to the number of Options the subject of valid Exercise Notices.

(d) **Constitution**

Each Option holder who exercises Options consents to becoming a member of the Company and agrees to be bound by the Constitution of the Company upon the issue of the new Shares.

(e) **Quotation**

- (i) Application for Official Quotation of the Options offered pursuant to this Prospectus will be made within seven (7) days of the date of this Prospectus.
- (ii) If ASX does not grant Official Quotation of the SPP Options offered pursuant to this Prospectus, within three months after the date of this Prospectus (or sub period as varied by ASIC), the Company will issue the Options as unlisted Options and may seek Official Quotation at a later date.

(f) **Dividends and voting**

- (i) The Options do not provide the Option holder any entitlement to dividends or other distributions.
- (ii) The Options do not entitle the Option holder to receive notice of, attend or vote at, any meeting of the Company's Shareholders.

(g) **Participation in Securities Issues**

Subject to paragraph (h) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(h) **Participation in a Reorganisation of Capital**

- (i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the ASX Listing Rules applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (h)(i), Options will be treated in the following manner:
 - (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (D) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;

- (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
- (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

8.2 Rights attaching to Shares

A summary of the key rights attaching to the Shares is set out below. The provisions of the Constitution relating to the rights attaching to the Shares must be read subject to the Corporations Act, the ASX Listing Rules and ASX Settlement Operating Rules. This summary is not intended to be exhaustive and does not constitute a definitive statement of the rights, liabilities and restrictions attaching to the Shares.

(a) General meetings

Each shareholder has the right to receive notice of and to attend all general meetings of the Company whether or not entitled to vote.

(b) Voting rights

At a general meeting, each shareholder in person or by proxy, attorney or representative is entitled to one vote on a show of hands.

On a poll, every member present will, in respect of each fully paid Share held by them, have one vote for the Share.

(c) Dividend rights and dividend policy

Subject to the Corporations Act, the Company's Constitution and the terms of issue of shares, the Directors may pay any dividend it thinks appropriate and fix the time for payment.

(d) Rights on winding-up

In winding up, the liquidator may, with the sanction of a special resolution divide the assets of the Company among the shareholders and decide how the division may be carried out between shareholders and different classes of shareholders.

(e) Offer of shares

Subject to the Corporations Act, the ASX Listing Rules and the Company's Constitution, the directors may issue, grant options over or otherwise dispose of unissued shares, to any person on the terms, with the rights, and at the times that the Board decides.

(f) Variation of rights

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (subject to the Corporations Act, the terms of issue of shares and the rights attached to a class of shares are not treated as varied by the issue of further shares of that class) may be varied or cancelled with the consent in writing of the holders of a majority of the issued shares of that class, or if authorised by an ordinary resolution passed at a meeting of the holders of the shares of the class.

(g) **Constitution**

A summary of the key provisions of the Constitution is set out below.

(i) **Transfer of Shares**

Subject to the Constitution, a Shareholder may transfer any of the Shareholder's Shares by way of:

- (A) a market transfer whereby the Company may do anything permitted by the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules that the Directors consider necessary for the Company's participation in a computerised or electronic system for the purpose of facilitating dealings in shares; or
- (B) by written document transfer.

The Directors may decline to register a transfer of Shares or ask ASX Settlement to apply a holding lock in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules:

- (C) subject to section 259C of the Corporations Act, if the transfer is to a subsidiary of the Company; and
- (D) if the transfer does not comply with the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules.

(ii) **Quorum at general meetings**

A quorum at a general meeting consists of two voting Shareholders present.

(iii) **Chairman- Meeting of Members**

In the case of an equality of votes at a meeting of members the chairman does not have a casting vote and the matter is decided in the negative.

(iv) **Directors – appointment and removal**

Subject to the Constitution, and the number of Directors fixed under the Constitution not being exceeded, the Company may appoint Directors by ordinary resolution.

(v) **Remuneration of Directors**

Subject to any contract with the Company and to the ASX Listing Rules, the Board may fix the remuneration paid to each executive Director. Directors, other than executive Directors, are entitled to be paid out of the funds of the Company an amount that does not any year exceed in aggregate the amount last fixed by ordinary resolution and allocated among them on an equal basis.

(vi) **Dividends**

Subject to section 254T of the Corporations Act, the Directors may declare and authorise the distribution, from the profits of the Company, of dividends to be distributed to Shareholders according to their rights and interests. must not pay a dividend except out of the profits or to the extent permitted by law out of reserves of the Company.

9. Risk factors

The business activities of the Company are subject to risks and there are many risks which may impact on the Company's future performance. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but many are outside of the control of the Company and cannot be mitigated. There are also general risks associated with any investment. Investors should consider all of these risks before they make a decision whether or not to acquire SPP Shares or acquire and exercise Options (including the SPP Options) offered under this Prospectus.

The Offer Securities are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding to apply for the Offer Securities.

The principal risk factors include, but are not limited to, the following.

9.1 Company-specific risk

Specific risk that may impact significantly on the Company, its performance and the price of its Shares include:

(a) **Reliance on key personnel**

The overall performance of management and the ability of the Directors and senior management to manage business operations. The loss of one or more of the Company's key managers or executives may impact on the Company's ability to achieve its strategies and growth plans.

(b) **Development of medical devices**

Medical device R&D involves scientific uncertainty and long lead times and there is no certainty that any particular event will occur within a set period or by a certain date.

Due to the significant costs in medical device development it is common for medical device companies to partner with larger medical device or medical equipment manufacturing companies to help progress development of a medical device. Partnering can potentially reduce the development and commercial risk for a small medical device company by involving an experienced or a larger established medical device manufacturer and/or medical device marketing company in the medical device's development and commercialisation. However, there is no guarantee that such arrangements will lead to the successful commercialisation of products, as a larger partner may not have the same motivation as the Company to quickly advance the product through clinical trials and commercialisation.

Furthermore, there are regulatory risks involved in the development and commercialisation of medical devices. There is no guarantee in relation to the success of submissions to regulatory authorities.

(c) **Competition**

Intense competition exists in the medical device and mobile health app industries. The risk exists that one or more of the competitive products in development now or in the future may prove more efficacious, safer, more cost effective or more acceptable to patients than the Company's product.

(d) **Cost of development and commercialisation**

Medical device R&D and commercialisation activities generally require a high level of funding over a long period of time. There is no guarantee that substantial additional funding will not be required to complete the development and commercialisation of the Company's medical devices.

(e) **Intellectual property**

Obtaining, securing and maintaining rights to technology and patents are an integral part of security potential product value in the outcomes of medical device R&D. Competition in retaining and sustaining protection of technology and the complex nature of technology can lead to patent disputes.

(f) **Products risks**

The Company's business exposes it to potential product liability risks which are inherent in R&D, preclinical trials, manufacturing, marketing and use of medical device products in and with humans.

The above risks should not be taken to be exhaustive of the risks faced by the Company or its Shareholders. Those risk factors, and other not specifically referred to above, may materially affect the financial performance of the Company and the value of its Shares in the future.

9.2 Risks relating to the Acquisition

Certain risks relating to the Acquisition include:

(a) **Completion risk**

The Acquisition is conditional on the satisfaction of a number of conditions. In the event that the conditions are not satisfied by the completion date specified in the Purchase Agreement, the Purchase Agreement may be terminated. However, the Company notes that the SPP Offer is not conditional on completion of the Acquisition.

(b) **Reliance on information provided**

While the Company and its advisors have undertaken a due diligence review in respect of the Acquisition, which encompasses financial and legal matters relating to ACCESS, the information on which such review was based on was substantially provided by or on behalf of ACCESS. As such, if any of such information proves to be incorrect, incomplete or misleading, the due diligence conducted may not have identified all material risks in respect of the Acquisition and there is a risk that the actual financial position and performance of ACCESS may be materially different to the expectations that the Company had.

(c) **Key personnel risk**

The Company considers that there are a small number of ACCESS employees that are crucial to the ongoing success of the ACCESS business due to their knowledge and understanding of the business, as well as their relationships with supplier and customers. If these employees leave ACCESS, it may be difficult to find replacements and any replacement may involve significant time and costs.

(d) **Sales and marketing success risk**

There is no guarantee that the Acquisition will allow the Company to continue growing its business, or that there will be success in the Company's sales and

marketing strategies post-Acquisition. In such case, there will be an impact on the Company's future sales and profitability.

In addition, the Company operates in a challenging and competitive environment, and there is a risk that the Company's forecasted growth does not eventuate, or that the customer accounts decline, reducing value accretion to Shareholders.

(e) Intellectual Property Risk

The ability of the Company and ACCESS to leverage its products depends on its ability to protect its intellectual property and any improvements to it. If any of such intellectual property is the subject of unauthorised disclosure or unlawful infringement, substantial costs may be incurred in monitoring, asserting or defending such intellectual property rights and may impact on the ability of the Company or ACCESS to effectively capitalise on its intellectual property rights in the future.

Please note that the above risks are not exhaustive of the risks faced by the Company in relation to the Acquisition and there may be risks, not specifically mentioned, which may materially affect the financial performance of the Company and the value of its Shares in the future.

9.3 General risks

(a) Options

The Options may not be quoted on ASX (refer to Section 6.13 for further details). If the Options are not quoted on ASX there will be no secondary market for the Options. This may adversely affect the Option holder's ability to sell their Options at a desired price, if at all.

(b) Economic

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, and stock market prices. The Company's future revenues and prices of its securities may be affected by these factors, which are beyond the Company's control.

(c) Changes in legislation and government regulation

Government legislation in Australia or any other relevant jurisdiction, including changes to the taxation system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it.

(d) Global credit investment market

Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which the Company's securities trade regardless of operating performance and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(e) Exchange rate risk

If the Australian dollar falls in relation to the exchange rate where the product or service is sourced from, then since the Company's financial statements are prepared in Australian dollars, this may impact its performance and position.

(f) **Unforeseen risk**

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation and performance of the Company's securities.

(g) **Combination of risk**

The Company may not be subject to a single risk. A combination of risks, including any of the risks outlined in this Section could affect the performance valuation, financial performance and prospects of the Company.

(h) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any additional expenditure requirements other than those announced on the ASX and disclosed in this Prospectus, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(i) **Market conditions**

Equities market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Equities market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and biotechnology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(j) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and may be prevented from progressing the commercialisation of its products. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(k) **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Offer Securities.

Therefore, the Offer Securities carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that an investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Offer Securities.

10. Additional information

10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a 'transaction specific prospectus'. In general terms a 'transaction specific prospectus' is only required to contain information in relation to the effect of the issue of securities on a Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing Company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been provided to ASX and does not include all of the information that would be included in a Prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with ASIC, being the financial report for the year ending 30 June 2022; and
 - (ii) any continuous disclosure documents given by the Company to ASX after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest full year statutory accounts lodged on 31 August 2022 and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of announcement
23 June 2023	Notification of cessation of securities - RSH
23 June 2023	Application for quotation of securities - RSH
14 June 2023	Access Acquisition - Roundtable Presentation
13 June 2023	Investor Presentation - ShareCafe Hidden Gems Webinar

Date	Description of announcement
13 June 2023	Investor Presentation - Digital Health Forum Webinar
7 June 2023	Access Telehealth acquisition presentation
5 June 2023	Investor Presentation and discussion - Access acquisition
31 May 2023	Change of Director's Interest Notice (correction) BL
31 May 2023	Change of Director's Interest Notice BL
26 May 2023	Proposed issue of securities - RSH
24 May 2023	Proposed issue of securities - RSH
24 May 2023	Initial Director's Interest Notice for Mr Brian Leedman
24 May 2023	SPP Offer - additional information for subscribers
23 May 2023	Proposed issue of securities - RSH
17 May 2023	Voluntary Suspension
15 May 2023	Trading Halt
10 May 2023	Response to ASX Query
26 April 2023	Quarterly Activities/Appendix 4C Cash Flow Report
21 April 2023	Notification regarding unquoted securities - RSH
12 April 2023	Appointment of CCO of US operations and market
28 March 2023	Investor Presentation - USA Update
21 March 2023	Investor Presentation Invitation
15 March 2023	Disclosure Document - s708 cleansing statement
15 March 2023	Application for quotation of securities - RSH
13 March 2023	Share Trading Policy (update March 2023)
13 March 2023	Proposed issue of securities - RSH
27 February 2023	Half Yearly Report and Accounts
23 February 2023	Medical Advisory Board established in US with leading KOLs
21 February 2023	Cleansing notice SPP shares
20 February 2023	Michigan Children Hospital commence first patients on Wheezo
16 February 2023	Application for quotation of securities - RSH
14 February 2023	Successful close of Share Purchase Plan

Date	Description of announcement
6 February 2023	RPM successfully reimbursed and claimed by physicians
25 January 2023	Quarterly Activities/Appendix 4C Cash Flow Report
24 January 2023	Security Purchase Plan extension of closing date
23 January 2023	Share Trading Policy
23 January 2023	Security Purchase Plan Pricing Update
19 January 2023	Response to ASX Query
17 January 2023	Investor presentation at USA Maxim Group Healthcare IT Conf
9 January 2023	Nth Carolina hospital commence Wheezo RPM patient onboarding
4 January 2023	SPP update
30 December 2022	Security Purchase Plan - Offer Booklet
30 December 2022	Disclosure Document S708 cleansing notice for SPP
28 December 2022	Proposed issue of securities - RSH
28 December 2022	Security Purchase Plan
23 December 2022	Arkansas Heart Hospital commences patients on Wheezo RPM
19 December 2022	Change of Director's Interest Notice - MM share acquisition
19 December 2022	Change of Director's Interest Notice - NS share acquisition
16 December 2022	Wheezo RPM program expands into New Mexico USA
15 December 2022	Disclosure Document - Cleansing Notice
15 December 2022	Application for quotation of securities - RSH
14 December 2022	First patients selected and enrolled into Minnesota Lung Ctr
7 December 2022	First primary care practice secured and first patients
28 November 2022	Wheezo RPM program selected by leading USA heart center
18 November 2022	Minnesota Lung Centre select Wheezo and RMP for pilot prog.
17 November 2022	Constitution
15 November 2022	Results of 2022 Annual General Meeting
15 November 2022	Chairman and CEO's Presentation to Shareholders
7 November 2022	Key milestone - First patients enrol into Wheezo RPM program

Date	Description of announcement
25 October 2022	Quarterly Activities/Appendix 4C Cash Flow Report
17 October 2022	Notice of Annual General Meeting/Proxy Form
13 October 2022	Notification of cessation of securities - RSH
10 October 2022	Disclosure Document - Cleansing Notice
7 October 2022	Application for quotation of securities - RSH
5 October 2022	Cost optimisation with senior executive remuneration
30 September 2022	Respiri commences trading on the OTCQB
29 September 2022	Update - Proposed issue of securities - RSH
28 September 2022	Centre of Digital Innovation Excellence established
21 September 2022	Proposed issue of securities - RSH
21 September 2022	Placement of \$1.6m to Support US Expansion
19 September 2022	Trading Halt

The announcements are also available through the Company's website
<https://respiri.co/au/investor-centre/>

10.2 Acquisition of Access Managed Services, LLC – Purchase Agreement

As announced on 23 May 2023, the Company entered into a binding Purchase Agreement to acquire Access Managed Services, LLC.

The following is a summary of the key terms of the Purchase Agreement:

(a) Consideration

The Company has agreed to pay to US\$3.0 million for the Acquisition, comprised of:

- (i) first tranche: US\$1.25 million upfront payment to be paid by the Company at completion of the proposed Acquisition;
- (ii) second tranche: US\$0.25 million payable in three months post-completion and handover is completed;
- (iii) third tranche: up to US\$1.5 million payable twelve months post-completion, should RPM patient enrolment exceed 6,000 per month and at least 1,000 of such patients use Wheezo® devices.

(b) Conditions

The Purchase Agreement is subject to a number of customary conditions to complete, including:

- (i) no material adverse change in the financial condition, results of operations, business, assets, liabilities or future prospects of ACCESS;

- (ii) the Company completes a capital raise of not less than two million five hundred thousand dollars (US\$2,500,000).
- (iii) ACCESS entering into a relevant employment agreement or transition services agreement with each of Lisa Dye (Chief Revenue Officer and an ultimate shareholder of ACCESS) and Chas Cota (Director of Business Development and Strategy of ACCESS);
- (iv) ACCESS entering into an advisory agreement or transition services agreement with Myra Ameigh (President, CEO and an ultimate shareholder of ACCESS); and
- (v) no resignation or termination of employment of any officer or material employee of ACCESS.

(c) **Termination**

The Purchase Agreement may be terminated by either party in writing where:

- (i) there is a material breach of the agreement, representation or warranty by the other party; or
- (ii) if the conditions under the Purchase Agreement are not satisfied by the completion date.

(d) **Completion**

The Acquisition is anticipated to complete by 1 July 2023, or as otherwise agreed in writing by the parties.

10.3 Lead Manger Mandate

The Company has signed a mandate letter to engage Evolution Capital to act as a lead manager to place Convertible Notes pursuant to the Convertible Note Offer and to place up to \$1.5 million Shortfall Shares on a best endeavours basis (**Lead Manager Mandate**).

The following is a summary of the principal provisions of the Lead Manager Mandate.

(a) **Term**

The Lead Manager Mandate will continue until terminated in accordance with its terms.

(b) **Fees and expenses**

In consideration for such services, the Company has agreed to pay Evolution Capital:

- (i) **Convertible Note Cash Fee:** a cash fee of 5% of the value of the Convertible Notes placed (plus GST);
- (ii) **SPP Shortfall Cash fee:** a cash fee of 6% of the Shortfall Shares placed to investors introduced by Evolution Capital (plus GST); and
- (iii) **Lead Manger Options:** after completion of the Convertible Note Offer and the Shortfall Offer:
 - (A) where Evolution Capital raises at least \$1 million from investors in connection with the Shortfall Offer, 1 million Options;

- (B) where Evolution Capital raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Options; or
- (C) where Evolution Capital raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Options, plus 2 Options for every dollar raised by Evolution Capital under the Shortfall Offer in excess of \$1.5 million,

(each, **Lead Manager Options**).

No Lead Manager Options will be issued pursuant to the Convertible Note Offer. The Lead Manager Options are issued on the same terms as the SPP Options and Shortfall Options as set out in Section 8.1 of this Prospectus.

If the Company is unable to obtain Shareholder Approval for the issue of Lead Manager Options within 2 months of executing the Lead Manager Mandate, the Company will pay Evolution Capital a sum of \$50,000, being the agreed equivalent value of the Lead Manager Options.

(c) **Termination**

The Lead Manager Mandate may be terminated by either the Company or Evolution Capital:

- (i) at any time by giving 7 days' written notice to the other party (subject to Evolution Capital being reimbursed for properly incurred expenses); or
- (ii) without notice:
 - (A) upon a breach of a term of the Lead Manager Mandate that has a material and adverse effect on the other party and (if capable of remedy) that breach fails to be remedied within 7 days of receiving written notice; or
 - (B) an insolvency event under the Lead Manager Mandate occurs in relation to either party.

10.4 **Convertible notes**

Further to the announcement on 23 May 2023, the Company has entered into the Convertible Note Agreement for funding for up to A\$1.35 million by way of issue of Convertible Notes to Obsidian Global GP, LLC (an independent, sophisticated and professional investor) at a face value of US\$1.15 per Convertible Note. The Convertible Note Offer is expected to complete on 26 July 2023.

The maximum number of Shares which can be issued under the Convertible Note Agreement, without shareholder approval, is 92,000,000 Shares.

The participant in the Convertible Note Offer is also entitled to subscribe for one (1) Option on a 25% coverage of the Convertible Note Investment Amount (based on the Fixed Conversion Price), being up to 7,180,851 Convertible Note Options. The Convertible Note Options will be issued on the same terms as the free-attaching Options under the SPP Offer and Shortfall Offer and the Lead Manager Options, as set out in Section 8.1 to this Prospectus.

A summary of the key terms in relation to the issue of the Convertible Notes is as below:

Term	Detail
Investor	Obsidian Global GP, LLC (Obsidian)
Convertible Note Investment Amount	A\$1.35 million via convertible notes, comprised of: <ol style="list-style-type: none"> 1. an advance of \$350,000 payable on the advance date; and 2. the remaining \$1 million payable on the purchase date.
Face Value	US\$1.15 per Convertible Note. After 12 months, the Face Value on the remaining balance will increase by 10%.
Number of Convertible Notes	That number which is equivalent to the actual amount paid in US\$ by the Convertible Note Investor, for the Convertible Note Investment Amount, rounded upwards to the next whole number.
Interest	None.
Maturity Date	36 months
Ranking	The Shares on conversion will rank equally with the Company's existing Shares.
Conditions	<p>Conditions for the payment of the \$350,000 advance include:</p> <ol style="list-style-type: none"> 1. the issue of Convertible Note Options and Placement Shares to Obsidian; and 2. ASX has not advised the Company that the terms of the Convertible Note Agreement are not appropriate or equitable for the purposes of Listing Rule 6.1 (or the Company has subsequently remedied any such issue). <p>Conditions to the payment of the remaining \$1 million include:</p> <ol style="list-style-type: none"> 3. this Prospectus being lodged with ASIC; 4. Obsidian being satisfied with the terms of this Prospectus; 5. the Company accepting an application from Obsidian for the Convertible Notes; and 6. the Company receiving net proceeds of at least A\$2 million under the SPP Offer (inclusive of any Shortfall Securities that Evolution Capital subscribes for).
Conversion Rights	The Convertible Notes may be converted at any time up until the Maturity Date.
Conversion Price	<p>Obsidian may elect to convert the Convertible Notes on the following basis:</p> <ol style="list-style-type: none"> 1. Fixed Conversion Price: A\$0.047.

Term	Detail
	<p>2. Share Purchase Plan Price: A\$0.034, to the extent that there is any shortfall in the Company's share purchase plan and Obsidian is invited to participate in such shortfall.</p> <p>3. Variable Conversion Price: is the lesser of:</p> <ul style="list-style-type: none"> a. 90% of the average of the lowest 5 daily VWAPS during the 15 actual trading days prior to the date of the Conversion Notice; and b. the Fixed Conversion Price, <p>to the extent the conversion is 60 days after the purchase date of the Convertible Notes.</p> <p>4. Automatic Conversion: if any month's VWAP is a 75% premium to the Fixed Conversion Price and the average trading volume of such month is at least \$50,000 per day, then Obsidian must convert 50% of any remaining Convertible Notes.</p>
Maximum number of shares to be issued	The maximum number of shares to be issued pursuant to the Convertible Note Agreement, without shareholder approval, is 92,000,000 shares.
Redemption	<p>The Company may at any time repay any outstanding amount of the Investment Amount in cash.</p> <p>If the repayment is within 90 days of the Convertible Note Execution Date, the repayment amount will be at Face Value for each Convertible Note, thereafter, the repayment amount for each Convertible Note is at a 10% premium to the Face Value.</p>
Exchange Rate	The Convertible Notes shall be held in USD.
Placement Shares	<p>The Company will issue 15 million Shares (Placement Shares), which may be used to offset any future share issues to Obsidian at Obsidian's discretion.</p> <p>Any Placement Shares which remain unpaid for at the end of the Maturity Date (and no amount is owed to Obsidian), will either be purchased by Obsidian at 90% of the average of the lowest 5 daily VWAP during the 15 actual trading days immediately prior to the date that Obsidian makes the payment, or sold on-market and 95% of the net proceeds paid to the Company.</p>
Options	The investor is entitled to subscribe for one (1) Option on a 25% coverage of the Convertible Note Investment Amount at the Fixed Conversion Price.
Trading Restrictions	<p>Obsidian, in any given day, must not sell Shares, more than the greater of 20% of the day's trading volume, or \$25,000.</p> <p>The requirements and restrictions in above will cease to apply if:</p> <ul style="list-style-type: none"> 1. there is any event of default; or

Term	Detail
	2. the daily VWAP is less than or equal to A\$0.02 for any 10 consecutive trading days.
Legal fee contribution	\$20,000 in upfront legal costs
Event of Default	<p>If an event of default occurs, interest is payable at a rate of 15% per annum, which interest shall accrue daily and shall be compounded monthly, from the date of the event of default until the Company discharges the amount outstanding in full.</p> <p>The Convertible Note Agreement provides that a default will occur on the occurrence of certain events, including:</p> <ol style="list-style-type: none"> 1. The Company fails to repay the redemption amount in respect of the number of Convertible Notes specified in an Early Redemption Notice on or before the day which is 5 Business Days after the date on which the Company gives the Early Redemption Notice. 2. The Company fails to pay or repay any amount payable under a transaction document when due. 3. Any of the materials provided by the Company is inaccurate, false or misleading in any material respect (including by omission), as of the date on which it is made or delivered. 4. Any of Obsidian's Shares are not quoted on ASX by the third Business Day immediately following the date of their issue. 5. A security interest over an asset of a group company is enforced. 6. Any present or future liabilities, including contingent liabilities, of any group company for an amount or amounts totalling more than A\$250,000 are not satisfied on time, or become prematurely payable. 7. Any group company grants any security interest over any of its assets, or a security interest comes into existence over any assets of any group company, without the prior written consent of Obsidian. 8. A change of control occurs in respect of the Company
Quotation	The Company will not apply for quotation of the Convertible Notes on the ASX. Application will be made by the Company to ASX for quotation of the Shares upon conversion.
Transferability	Obsidian may assign the Convertible Agreement to any person, provided that such assignee executes a deed of covenant in favour of the Company agreeing to be bound by the terms of the Convertible Note Agreement to the extent of the assignment.

10.5 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on the ASX.

The highest, lowest and last market closing prices of the Shares on the ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Shareholder	Share Price	Date
Highest	\$0.062	27 March 2023
Lowest	\$0.035	13 June 2023
Last	\$0.036	27 June 2023

10.6 Substantial Shareholders

Based on publicly available information, as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	% ¹
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	36,623,266	4.34
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	35,637,551	4.23
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	29,853,844	3.54
CITICORP NOMINEES PTY LIMITED	21,244,878	2.52
MALLAMANDA PTY LTD <MALLAMANDA A/C>	17,150,000	2.03

Notes:

1. As at the date of this Prospectus, there are no persons with a relevant interest of 5% or more. The Company has included the top 5 holders for reference purpose.

10.7 Effect of Offers on control of the Company

The SPP Offer is not anticipated to have an effect on control of the Company as each Eligible Shareholder may only apply for a maximum of \$30,000 of SPP Shares (notwithstanding the Increased Eligibility Condition).

For more information on the effect of the Offers on the capital structure of the Company, including the effect of the Convertible Note Offer and the issue of the Lead Manager Options, please refer to section 7.4 of this Prospectus.

10.8 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

10.9 Security holdings of Directors

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Nicholas Smedley ¹	15,459,668	70,000,000
Marjan Mikel ²	4,041,267	75,000,000
Brad Snow	Nil	Nil
Brian Leedman ³	620,068	Nil

Notes:

1. Mr Nicholas Smedley holds all Shares and Options indirectly.
2. Mr Marjan Mikel holds 2,223,086 Shares directly. All other Shares and Options are held indirectly.
3. Mr Brian Leedman holds all Shares indirectly. He acquired his Shares in the Company after the Record Date and therefore cannot participate in the SPP Offer. Separately, Mr. Brian Leedman is entitled to receive 20 million Options as part of his remuneration, subject to Shareholder approval being obtained.

10.10 Remuneration of Directors

Please refer to the Remuneration Report, which is contained on pages 18 to 28 of the Company's Annual Report for the financial year ending 30 June 2022, for full details of the remuneration of the Company's directors.

The Annual Report for the financial year ending 30 June 2022 was lodged with ASX on 31 August 2022 and is available on the Company's ASX announcements page at <https://respiri.co/au/investor-centre/asx-announcements/>.

A hard copy of the Annual Report is also available free of charge before the Closing Dates by contacting the Company at its registered address using the details in Section 5 of this Prospectus.

10.11 Interests of advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the Offers or a financial services licensee named in this Prospectus as a financial services licensee involved in the Offers,

holds at the date of this Prospectus, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offers.

Gadens has acted as the Australian legal adviser to the Company in relation to the Offers. The Company has paid or agreed to pay \$25,000 (excluding GST) for these services in connection with the Offers up to the date of the Prospectus. Further amounts may be payable to Gadens in accordance with its time-based charge out rates.

Evolution Capital has acted as the lead manager to the Convertible Note Offer and the Shortfall Offer. In consideration for such services, the Company has agreed to pay Evolution Capital:

- (a) a cash fee of 5% of the value of the Convertible Notes placed (plus GST);
- (b) a cash fee of 6% of the Shortfall Shares placed (plus GST); and
- (c) after completion of the Convertible Note Offer and the Shortfall Offer:
 - (i) where Evolution Capital raises at least \$1 million from investors in connection with the Shortfall Offer, 1 million Lead Manager Options;

- (ii) where Evolution Capital raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Lead Manager Options; or
- (iii) where Evolution Capital raises at least \$1.5 million from investors in connection with the Shortfall Offer, 3 million Lead Manager Options, plus 2 Lead Manager Options for every dollar raised by Evolution Capital under the Shortfall Offer in excess of \$1.5 million.

10.12 Consents

Gadens has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Company's Australian legal adviser in the form and context in which it is named. Gadens takes no responsibility for any part of this Prospectus, other than a reference to its name.

Evolution Capital has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the lead manager to the Convertible Note Offer and the Shortfall Offer in the form and context in which it is named.

Computershare Investor Services Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Company's Share Registry in the form and context in which it is named.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and take no responsibility for, any part of this Prospectus.

10.13 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$142,706 (excluding GST) and are expected to be applied towards the items set out in the table below:

Cost	Amount
ASIC fees	\$3,206
ASX fees	\$12,000
Lead manager fees	\$67,500 ¹
Legal fees	\$25,000
Share Registry fees, printing and distribution	\$35,000
Total	\$142,706

Notes:

- This represents the Convertible Note Cash Fee that is payable to the Lead Manager and assumes the total \$1.35 million Convertible Note Offer is placed. As the SPP Shortfall Cash Fee is based on there being any Shortfall, and is only applicable on amounts from investors introduced by the Lead Manager, such amount cannot be determined at this point.*

10.14 Governing law

This Prospectus, the Offers and the contracts formed on acceptance of applications under the Offers are governed by the laws applicable in Victoria, Australia. Each applicant for Shares or Options offered under this Prospectus submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

10.15 Directors authorisation

This Prospectus is authorised by each Director, who has given and not withdrawn their consent to the issue of this Prospectus and to its lodgement with ASIC.

11. Glossary

\$ or A\$ means the lawful currency of the Commonwealth of Australia.

ACCESS means Access Managed Services LLC, and as defined in Section 1 of this Prospectus.

AEST means Australian Eastern Standard Time.

Applicant means a person that submits an Application Form.

Application Form means the SPP Offer Application Form or the Shortfall Application Form (as the case applies).

Application Monies means the amount payable by an Applicant for the SPP Shares the subject of an Application Form, as set out in this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Acquisition has the meaning given to that term in Section 1 of this Prospectus.

Board means the board of Directors of the Company unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except public holidays and any other day that ASX declares is not a business day.

Closing Dates means the last of SPP Offer Closing Date or Shortfall Offer Closing Date (or any one of such dates as the context requires).

Company or RSH means Respiri Limited ACN 009 234 173.

Constitution means the constitution of the Company as amended from time to time.

Convertible Note has the meaning given to that term in Section 1 of this Prospectus.

Convertible Note Agreement means the agreement dated on or around 28 June 2023 entered into between the Company and the Convertible Note Investor, pursuant to which the Convertible Notes and Convertible Note Options will be issued, on the terms and conditions contained therein.

Convertible Note Investment Amount has the meaning given to that term in Section 1 of this Prospectus.

Convertible Note Investor has the meaning given to that term in Section 1 of this Prospectus.

Convertible Note Offer has the meaning given to that term in Section 1 of this Prospectus.

Convertible Note Option has the meaning given to that term in Section 1 of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Custodian means a person:

- (a) that holds an Australian financial services licence that:
 - (i) covers the provision of a custodial or depositary service; or
 - (ii) includes a condition requiring the holder to comply with the requirements of ASIC Class Order [CO 02/294]; or
- (b) that is exempt under:
 - (i) paragraph 7.6.01(1)(k) of the Corporations Regulations 2001 (the **Regulations**); or
 - (ii) paragraph 7.6.01(1)(na) of the Regulations; or
 - (iii) ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184]; or
 - (iv) ASIC Class Orders [CO 03/1099], [CO 03/1100], [CO 03/1101], [CO 03/1102], [CO 04/829] or [CO 04/1313]; or
 - (v) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (iia); or
 - (vi) paragraph 911A(2)(h) of the Act;from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service; or
- (c) that is a trustee of a:
 - (i) self-managed superannuation fund; or
 - (ii) superannuation master trust; or
- (d) that is the responsible entity of an IDPS-like scheme; or
- (e) that is the registered holder of shares or interests in the class and is noted on the register of members of the body or scheme (as the case may be) as holding the shares or interests on account of another person.

Director means a director of the Company.

Eligible Beneficiary means a person who would otherwise satisfy the definition of an Eligible Shareholder but for they hold a beneficial interest in Shares and whose legal interest in Shares is held by a Custodian.

Eligible Shareholders means Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address was in Australia or New Zealand;
- (d) are not in the United States and are not “U.S. persons” (as defined under Regulation S under the United States Securities Act of 1933, as amended) (**U.S. Persons**) or acting for the account or benefit of U.S. Persons; and

(e) are eligible under all applicable securities laws to receive an offer under the SPP Offer.

Eligible Shortfall Participants means those persons to whom the Directors decide to offer the Shortfall Securities.

EGM means the extraordinary general meeting of Shareholders, expected to be held on 8 August 2023.

Evolution Capital means Evolution Capital Pty Ltd ACN 652 397 263 (Authorised Representative Number 1293314).

Increased Eligibility Condition has the meaning given to that term in Section 1 of this Prospectus.

January 2023 Share Purchase Plan means the underwritten offer of Shares by the Company pursuant to a security purchase plan offer booklet dated 30 December 2022, for the offer period of 30 December 2022 to 10 February 2023.

Lead Manager Mandate means the lead manager mandate between the Company and Evolution Capital dated on or around 18 May 2023, a summary of which is set out in Section 10.2 of this Prospectus.

Lead Manager Option has the meaning given to that term in Section 10.3(b) of this Prospectus.

Lead Manager Option Offer means the offer of Lead Manager Options to the Evolution Capital as part consideration for lead manager services provided pursuant to the Lead Manager Mandate, as described in Section 1 of this Prospectus.

Notice of Meeting means the notice of meeting prepared by the Company for the purpose of the GM.

Offers means the SPP Offer, the Shortfall Offer, the Lead Manager Option Offer or the Convertible Note Offer (or either of them, as the case requires).

Offer Price means \$0.034 per SPP Share.

Offer Securities means the securities offered pursuant to this Prospectus.

Official Quotation means official quotation on the ASX.

Option means an option to acquire a Share.

Placement Shares has the meaning given to that term in Section 10.4 of this Prospectus.

Purchase Agreement has the meaning given to that term in Section 1 of this Prospectus.

Prospectus means this prospectus.

Quotation Condition has the meaning given to that term in Section 6.13 of this Prospectus.

Record Date means the date specified in Section 4 of this Prospectus.

Relevant Period has the meaning given to that term in Section 6.7 of this Prospectus.

Securities Act means the USA Securities Act of 1933, as amended.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Computershare Investor Services Pty Limited ACN 078 279 277.

Shortfall Offer means the offer of the Shortfall Amount under this Prospectus, as set out in section 6.18.

Shortfall Amount means the difference between:

- (a) the dollar value of valid applications received from Eligible Shareholders under the SPP Offer; and
- (b) the amount sought to be raised under the SPP Offer from the issue of SPP Shares and SPP Options, being \$3,000,000.

Shortfall Application Form means the Application Form relevant to subscribers under the Shortfall Offer.

Shortfall Offer Closing Date means the date specified in Section 4 of this Prospectus (unless extended).

Shortfall Offer Opening Date means the date specified in Section 4 of this Prospectus (unless extended).

Shortfall Options means those Options issued pursuant to the Shortfall Offer.

Shortfall Securities means the Shortfall Shares and Shortfall Options.

Shortfall Shares means those Shares issued pursuant to the Shortfall Offer.

SPP Offer means the offer to SPP Subscribers of up to 88,235,294 SPP Shares at an offer price of \$0.034 and one free attaching SPP Option for every two (2) SPP Shares subscribed for.

SPP Offer Application Form means the Application Form relevant to subscribers under the SPP Offer.

SPP Offer Closing Date means the date specified in Section 4 of this Prospectus (unless extended).

SPP Offer Opening Date means the date specified in Section 4 of this Prospectus (unless extended).

SPP Option means a free attaching Option, offered to participants in the SPP Offer (or where the context requires, under the Shortfall Offer) for nil consideration on the basis of an entitlement to one (1) SPP Option for every two (2) SPP Shares issued, and such SPP Option otherwise being on the terms outlined in Section 8.1 of this Prospectus.

SPP Share means a new Share subscribed for under the SPP Offer (or where the context requires, under the Shortfall Offer).

SPP Shortfall means the difference between:

- (a) the dollar value of valid applications received from Eligible Shareholders under the SPP Offer; and

- (b) the amount sought to be raised under the SPP Offer from the issue of SPP Shares and SPP Options, being \$3,000,000.

SPP Subscribers means Eligible Shareholders and the Eligible Shortfall Participants.

Timetable means the timetable of key dates for the SPP set out in Section 4 of this Prospectus.

Trading Day has the meaning given to that term in the ASX Listing Rules.

USA means the United States of America.

US\$ or **USD** means United States Dollar.

VWAP means in relation to a Trading Day, the volume weighted average price of the Shares traded in the ordinary course of business on the ASX on that Trading Day, excluding crossings executed outside the open session state, special crossings, overseas trades and trades pursuant to exercise of options over Shares.